

Orion Marine Group Inc  
Form DEF 14A  
April 09, 2013

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

**SCHEDULE 14A  
(RULE 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION  
PROXY STATEMENT PURSUANT TO SECTION 14(A)  
OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant  x  
Filed by a party other than the Registrant  o  
Check the appropriate box:

o Preliminary proxy statement  
 o Confidential, for Use of the Commission only (as permitted by Rule 14a-6(e)(2))  
 x Definitive proxy statement  
 o Definitive additional materials  
 o Soliciting material pursuant to Rule 14a-11(c) or Rule 14a-12

**ORION MARINE GROUP, INC.**

(Name of Registrant as Specified in its Charter)

Payment of filing fee (Check the appropriate box):

x No fee required  
 o Fee computed on the table below per Exchange Act Rules 14a-6(i)(I) 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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, schedule or registration statement number:

(3) Filing party:

(4) Date filed:

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**ORION MARINE GROUP, INC.  
12000 AEROSPACE, SUITE 300  
HOUSTON, TEXAS 77034**

**April 8, 2013**

To our Stockholders:

On behalf of the Board of Directors, we cordially invite you to attend the 2013 Annual Meeting of Stockholders of Orion Marine Group, Inc., which will be held on Thursday, May 23, 2013 at 10:00 a.m. Central Time. You will be able to attend the 2013 Annual Meeting, vote and submit your questions during the meeting via live webcast by visiting [www.virtualshareholdermeeting.com/orn2013](http://www.virtualshareholdermeeting.com/orn2013). You will need the 12-digit control number included in your proxy materials in order to be able to enter the Annual Meeting.

At the Annual Meeting, you will be voting on:

- (1) the re-election of two members to our Board of Directors, each to serve a three-year term and until his successor is duly elected and qualified;
- (2) a non binding advisory proposal to approve the compensation of our named executive officers as disclosed in our proxy statement;
- (3) the ratification of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm for 2013, and
- (4) any other business that may properly come before the Annual Meeting, or any reconvened meeting after an adjournment thereof.

The following pages contain the formal Notice of Annual Meeting and the Proxy Statement.

**Important Notice Regarding Internet Availability of Proxy Materials  
For the Annual Meeting of Stockholders to be held on May 23, 2013**

You may access an electronic, searchable copy of this Proxy Statement and the Annual Report on Form 10-K for the year ended December 31, 2012 at <http://www.proxyvote.com>

This year we will seek to conserve natural resources and reduce annual meeting costs by electronically disseminating annual meeting materials as permitted under rules of the Securities and Exchange Commission. Many stockowners will receive a Notice of Internet Availability of Proxy Materials containing instructions on how to access annual meeting materials via the Internet. Stockholders can also request mailed paper copies if preferred.

The accompanying Proxy Statement provides detailed information regarding the matters to be acted upon at the Annual Meeting. In addition to the Proxy Statement, we have included a copy of our Annual Report to Stockholders, which includes our Annual Report on Form 10-K for the year ended December 31, 2012. The Form 10-K provides information regarding our operations as well as our audited, consolidated financial statements. In accordance with Securities and Exchange Commission rules, the Proxy Statement and the Form 10-K, as well as our other proxy materials may be found at [www.proxyvote.com](http://www.proxyvote.com), which does not have cookies that identify visitors to the site.

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Your vote is important. Please vote your shares as soon as possible. Voting is available via the Internet or telephone, or by paper proxy card. This will ensure representation of your shares. Returning the proxy card or voting by telephone or electronically does not deprive you of your right to attend the virtual meeting and to vote your shares during the live webcast for the matters to be acted upon at the meeting.

Sincerely,

Peter R. Buchler  
*Corporate Secretary*

Houston, Texas  
April 8, 2013

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**ORION MARINE GROUP, INC.  
12000 AEROSPACE, SUITE 300  
HOUSTON, TEXAS 77034**

**NOTICE OF 2013 ANNUAL MEETING OF  
STOCKHOLDERS**

**Important Notice Regarding the Availability of Proxy  
Materials for the  
Stockholder Meeting to be held on May 23, 2013**

The Proxy Statement and accompanying 2012 Annual Report on Form 10-K are available at  
*<http://www.proxyvote.com>.*

You may also access the proxy materials and vote your shares at *<http://www.proxyvote.com>*

TIME AND DATE: 10:00 a.m. Central Time, on Thursday, May 23, 2013

INTERNET ACCESS: *[www.virtualshareholdermeeting.com/orn2013](http://www.virtualshareholdermeeting.com/orn2013)*  
Use the 12-digit Control Number provided in your proxy materials  
(1)

ITEMS OF BUSINESS: To re-elect two members to our Board of Directors, each to serve a three-year term and until his successor is duly elected and qualified;  
(2)

To approve a non binding advisory proposal on the compensation of our named executive officers as disclosed in the attached proxy statement;  
(3)

To ratify the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm for 2013; and  
(4)

RECORD DATE: To transact any other business that may properly come before the Annual Meeting or any reconvened meeting after an adjournment thereof.  
The stockholders of record at the close of business on April 1, 2013, will be entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof.

PROXY VOTING: It is important that your shares are represented and voted at the Annual Meeting. You can vote your shares by completing and returning the proxy

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card provided to you. You also have the option of voting your shares on the Internet or by telephone. Voting instructions are printed on your proxy card and are included in the accompanying Proxy Statement. You can revoke a proxy at any time prior to its exercise at the Annual Meeting by following the instructions in the Proxy Statement. You are invited to attend the Annual Meeting through the link at [www.virtualshareholdermeeting.com/orn2013](http://www.virtualshareholdermeeting.com/orn2013), and may vote at that time.

This Notice of Annual Meeting of Stockholders and related Proxy Materials are being distributed or made available to stockholders beginning on or about April 8, 2013.

By Order of the Board of Directors

Peter R. Buchler  
Corporate Secretary  
Houston, Texas  
April 8, 2013

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**ORION MARINE GROUP, INC.  
12000 Aerospace Suite 300  
Houston, Texas 77034  
Telephone: (713) 852-6500**

**PROXY STATEMENT  
FOR THE 2013 ANNUAL MEETING OF  
STOCKHOLDERS**

*We are providing this Proxy Statement, and accompanying proxy materials, to the holders of the common stock of Orion Marine Group, Inc. ( Orion or the Company ) for use at the 2013 Annual Meeting of Stockholders, and any adjournments or postponements thereof. The Annual Meeting will be held on May 23, 2013, at 10:00 a.m. Central Time at [www.virtualshareholdermeeting.com/orn2013](http://www.virtualshareholdermeeting.com/orn2013). You may access this site using the 12-digit Control Number provided with your proxy materials. The Proxy Statement, the enclosed form of proxy, and the Company's Annual Report for the year ended December 31, 2012 are first being distributed or made available to stockholders on or about April 8, 2013.*

*Our Board of Directors has established April 1, 2013 as the record date (the Record Date ) for determining stockholders entitled to vote at the Annual Meeting and any adjournment or postponement thereof. Only stockholders at the close of business on the record date are entitled to vote on matters presented at the Annual Meeting.*

*This Proxy Statement contains important information for you to consider when deciding how to vote on the matters to be brought before the Annual Meeting. Please read it and the enclosed materials carefully.*

***Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on May 23, 2013:***

*Orion's 2013 Proxy Statement and Annual Report to Stockholders for 2012 are available at [www.proxyvote.com](http://www.proxyvote.com).*

**PLEASE VOTE YOUR VOTE IS IMPORTANT**

**GENERAL INFORMATION**

## **ABOUT THE COMPANY**

We are a leading marine specialty contractor serving the heavy marine infrastructure market. We provide a broad range of marine construction services on, over, and under the water primarily along the Gulf Coast, the Atlantic Seaboard, the West Coast, Canada, and in the Caribbean Basin. Our principal executive offices are located at 12000 Aerospace, Suite 300, Houston, Texas 77034. Our common stock is listed for trading on the New York Stock Exchange ( NYSE ). Our trading symbol is ORN. At the close of business on the Record Date, 27,246,456 shares of common stock were outstanding.

## **ABOUT THE ANNUAL MEETING**

*Why did I receive a one-page Notice of Internet Availability of Proxy Materials in the mail rather than a full set of proxy materials?*

The Securities and Exchange Commission ( SEC ) rules allow companies to provide stockowners with access to proxy materials over the Internet rather than mailing the materials to stockowners. To conserve natural resources and reduce costs, we are sending to many of our stockowners a Notice of Internet Availability of Proxy Materials. The Notice provides instructions for accessing the proxy materials on the website referred to in the Notice or for requesting printed copies of the proxy materials. The Notice also provides instructions for requesting the delivery of the proxy materials for future Annual Meetings in printed form by mail or electronically by email.



*Why did I receive these proxy materials?*

The Company's Board of Directors (the Board) is providing these proxy materials to you in connection with the 2013 Annual Meeting of Stockholders, which will take place on May 23, 2013 (the Annual Meeting). As a stockholder of the Company on the Record Date, you are entitled to vote your shares at the Annual Meeting.

*What is the purpose of the Annual Meeting?*

There are currently three proposals scheduled for consideration and a vote at the Annual Meeting:

1. The re-election of two Class II directors, each to serve a three-year term expiring in 2016;
2. A non-binding proposal to approve the compensation of our named executive officers as disclosed in this proxy statement (the say-on-pay vote); and
3. The ratification of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm for the year ending December 31, 2013.

*Could other matters be considered and voted upon at the meeting?*

Our Board does not expect to bring any other matter before the Annual Meeting and is not aware of any other matter that may be considered at the meeting. In addition, pursuant to our By-laws, the time has elapsed for any stockholder to properly bring a matter before the meeting. However, if any other matter does properly come before the meeting, the proxy holders will vote the proxies at their discretion.

*How many votes may stockholders cast?*

Each share of common stock that was outstanding on the record date is entitled to one vote on each matter submitted to a vote at the Annual Meeting. As of the record date, there were 27,246,456 shares of common stock outstanding and entitled to vote at the Annual Meeting.

*How many shares must be present to hold the Annual Meeting?*

A majority of the outstanding shares of common stock entitled to vote must be present, in person (online) or represented by proxy, at the Annual Meeting in order to hold the Annual Meeting and conduct business. This is called a quorum. In determining whether a quorum exists, the inspector of elections includes as present shares owned by holders who abstain from voting, shares owned by holders who do not vote on one or more proposals, withheld votes, and broker non-votes (see *What is a broker non-vote?* below).

*What are my voting options for each proposal? How does the Board of Directors recommend that I vote? How many votes are required to approve each proposal? How are the votes counted?*

Proposal	Election of Directors	Say-on-Pay (advisory)	Ratification of Selection of Auditors for 2013
Your Voting Options	You may vote FOR or AGAINST each nominee or you may ABSTAIN from voting on each nominee.	You may vote FOR or AGAINST this proposal or you may ABSTAIN from voting.	You may vote FOR or AGAINST this proposal or you may ABSTAIN from voting.
Recommendation of the Board of	The Board recommends you vote FOR each of the	The Board recommends that you vote FOR the	The Board recommends that you vote FOR

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Directors

two nominees.

approval, on an advisory basis, of the compensation of our named executive officers as disclosed in this proxy statement.

ratification of our selection of Grant Thornton LLP as our independent registered public accounting firm for 2013.

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Proposal	Election of Directors	Say-on-Pay (advisory)	Ratification of Selection of Auditors for 2013
Vote Required for Approval	<u>plurality of the votes cast</u> (but see the note below on our Majority Voting Policy in Director Elections )	<u>affirmative vote of a majority</u> of the shares present in person or represented by proxy and entitled to vote on the proposal	<u>affirmative vote of a majority</u> of the shares present in person or represented by proxy and entitled to vote on the proposal
Effect of Abstention	no effect	will count as a vote AGAINST this proposal	will count as a vote AGAINST this proposal
Effect of Broker Non-vote	no effect	no effect	not applicable

*Majority Voting Policy in Director Elections.* Although our directors are elected by plurality vote, our Board has adopted a majority voting policy. Each of our current directors, including the two director nominees, has delivered an irrevocable resignation letter for the Board's consideration in the event that he does not receive more FOR than AGAINST votes in an uncontested election. We have provided more information about our majority voting policy under the heading Proposal No. 1 Election of Directors.

*Any Other Matters.* Any other matter properly brought before the Annual Meeting will be decided by the affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote on the matter, unless a different vote is required by statute, NYSE listing standards, or our certificate of incorporation or By-laws.

*What is the difference between holding shares as a stockholder of record and as a beneficial owner?*

Many of our stockholders hold their shares through a broker or other nominee rather than directly in their own name. As summarized below, there are several distinctions between shares held of record and those held beneficially.

*Stockholders of Record.* If your shares are registered directly in your name with the Company's transfer agent, American Stock Transfer & Trust, you are the stockholder of record of those shares.

*Beneficial Owners.* If your shares are held in a bank account, brokerage account, or by another nominee, you are the beneficial owner of those shares, and your bank, broker, or nominee (your broker) is the stockholder of record.

*How do I vote?*

*Stockholders of Record.* If you are a stockholder of record, you may vote in any of the following ways:

- (1) online at <http://www.proxyvote.com>;
- (2) by telephone, by calling 1-800-690-6903;
- (3) if you received a paper copy of our proxy materials, by mail, by signing, dating and mailing the proxy card in the enclosed postage-paid envelope; or
- (4) during the Annual Meeting through our link at [www.virtualshareholdermeeting.com/orn2013](http://www.virtualshareholdermeeting.com/orn2013). You must use the 12-digit Control Number provided in your proxy materials to access this site.

*Beneficial Owners.* If you are a beneficial owner, you should refer to the proxy card or voting instruction form you received from your broker for an explanation of the voting options that are available to you. If you wish to vote online during the Annual Meeting, you must request, complete, and deliver a proxy from your broker.

*Can my shares be voted if I do not provide voting instructions?*

*Stockholders of Record.* If you are a stockholder of record and do not deliver a proxy or otherwise vote your shares, your shares will not be voted. However, if you execute a proxy or cast a vote (whether online, by telephone, or by proxy card) without giving instructions as to how to vote on one or more proposals, your

shares will be voted in accordance with the Board's recommendations on the proposals for which you have not provided specific voting instructions.

*Beneficial Owners.* If you are a beneficial owner and do not provide your broker with specific voting instructions, your shares will not be voted on any proposal as to which your broker does not have discretionary authority to vote. Brokers generally only have discretionary authority to vote shares held in street name on routine matters but not on non-routine matters. The proposal to ratify the retention of the independent registered public accounting firm is generally considered a routine matter. The proposal to elect directors and the say-on-pay vote are generally not considered routine matters; therefore, if you do not provide voting instructions to your broker on those proposals, your shares will not be voted on those proposals.

*What is a broker non-vote ?*

A broker non-vote occurs when a broker holding shares for a beneficial owner submits a proxy that votes the shares on one or more proposals, but does not vote (the broker non-vote) on non-routine matters with respect to which the beneficial owner has not given voting instructions. As noted above, if you are a beneficial owner and do not provide voting instructions, the only matter proposed in this proxy statement on which your broker may vote is the ratification of our selection of auditors. If you hold your shares through a broker, bank, or nominee, please provide them with specific voting instructions.

*Can I change or revoke my vote?*

Yes. You may revoke your proxy or change your vote at any time before it is voted at the Annual Meeting by (1) filing a written revocation with the Corporate Secretary at the Company's executive offices, (2) submitting online, by mail, or by phone a duly executed proxy bearing a later date, or (3) voting online during the Annual Meeting at [www.virtualshareholdermeeting.com/orn2013](http://www.virtualshareholdermeeting.com/orn2013).

*Who are the proxies?*

In connection with the solicitation of proxies for the Annual Meeting, the Board of Directors has appointed Peter R. Buchler, J. Michael Pearson, and Mark R. Stauffer as proxies. All properly executed proxies that specify as to how the stockholder wishes his shares to be voted will be voted in accordance with those instructions.

*Who will count the votes?*

The Company has appointed Broadridge Financial Solutions, Inc. (Broadridge) to tabulate the votes and act as the Inspector of Elections.

*When will the voting results be announced?*

We will announce preliminary voting results at the Annual Meeting and will publish the final results in a current report on Form 8-K filed with the SEC within four business days following the meeting, which will be available on our website at [www.orionmarinegroup.com](http://www.orionmarinegroup.com).

*Who pays for the cost of the proxy solicitation?*

The Company bears the expense of preparing, printing, mailing, and distributing the proxy materials. In addition to this solicitation by mail, directors, officers, and other employees of the Company may, without additional compensation, solicit the return of proxies by telephone, messenger, facsimile, or email. The Company will request

that brokers and other nominee holders of common stock furnish proxy materials to their beneficial owners. The Company will reimburse such brokers and other nominees for their reasonable out-of-pocket expense in doing so. The

Company has retained Georgeson Inc. to perform various proxy advisory services. The Company may also use Georgeson Inc. to perform proxy solicitation services if needed; however, the Company has no current intention to do so.

## DISCUSSION OF THE PROPOSALS

### PROPOSAL NO. 1 ELECTION OF DIRECTORS

At the Annual Meeting, stockholders will be asked to elect two directors to serve on the Company's Board of Directors. The By-Laws of the Company permit the Board to determine, by resolution, the number of directors the Company will have. The authorized size of the Board is currently set at five persons.

The Company's Certificate of Incorporation and By-Laws provide for a classified Board of Directors, divided into three classes, each class serving a staggered three-year term. As a result, stockholders will elect approximately one-third of our Board each year. A director holds office from the time of election until the third annual meeting following election. The current term of the two Class III directors, nominated for re-election at this meeting, expires at the 2013 Annual Meeting.

The Company is not aware that either of the nominees will be unable to or will not serve as a director. If, prior to the Annual Meeting, any nominee should become unavailable to serve, the shares represented by a properly signed and returned proxy card, or voted by telephone or via the Internet will be voted for the election of such other person as may be designated by the Board, the Board may leave the position unfilled, or the Board may reduce the authorized number of directors, as provided in the Company's By-Laws.

The Board of Directors has nominated Mr. Austin J. Shanfelter and Mr. Gene Stoever for election as Class III directors each to serve a three-year term expiring at the 2016 annual meeting. Messrs. Shanfelter and Stoever currently serve as members of the Board. Mr. Shanfelter is Chairman of our Compensation Committee, and Mr. Stoever is Chairman of our Audit Committee.

Please see "The Board of Directors and its Committees" below for information about the nominee for election as director and the current members of the Board of Directors who will continue to serve following the Annual Meeting, their business experience and other information.

Directors are elected by plurality vote; however, our Board has adopted a majority voting policy in uncontested elections. Each of our current directors, including the two directors nominated for re-election at the Annual Meeting, has delivered an irrevocable resignation letter for the Board's consideration in the event that he does not receive more FOR than AGAINST votes in an uncontested election. If an incumbent director fails to receive the required vote for reelection, our Board, after considering the recommendation of its Nominating and Corporate Governance Committee and any factors it deems relevant, will determine whether to accept the resignation. The Board expects any director whose resignation is under consideration to abstain from participating in the decision.

*The Board recommends that you vote FOR election of the nominee. Properly dated and signed proxies will be so voted unless authority to vote in the election of directors is withheld.*

### PROPOSAL NO. 2 ADVISORY VOTE ON EXECUTIVE COMPENSATION ( SAY-ON-PAY PROPOSAL )

We are seeking stockholder approval of the compensation of our executive officers (our named executive officers or NEOs) as disclosed in this proxy statement. This disclosure includes the Compensation Discussion and Analysis

( CD&A ), the compensation tables, and the accompanying narrative compensation disclosures. This non-binding advisory proposal, commonly known as a say-on-pay proposal, is required under Section 14A of the Securities Exchange Act of 1934 (the Exchange Act ). Stockholders are asked to vote on the following resolution:

RESOLVED, that the compensation paid to the Company s named executive officers, as disclosed in the Company s proxy statement for the Company s 2013 annual meeting of stockholders pursuant to Item 402 of Regulation S-K of the rules of the Securities and Exchange Commission, is hereby APPROVED.

Our executive compensation program is based on our philosophy of paying for performance and tying a significant portion of our executive pay to the achievement of long-term stockholder growth. Although we received overwhelming support for our executive compensation program in our 2011 say-on-pay vote, we received considerably less support in 2012 (although the 2012 say-on-pay proposal was ultimately approved).



After discussions with stockholder advisory groups and our largest stockholders, we have made certain changes to our executive compensation program that we believe are responsive to the concerns raised. Specifically, the Committee took the following actions:

Modified our compensation philosophy, changing from our historical approach to targeting pay opportunities between the market median and 75<sup>th</sup> percentile to targeting pay opportunities at the market median, with the opportunity to earn above the market median *depending upon performance*. This change will be more relevant once we return to profitability and re-establish our incentive programs, which are currently suspended.

Confirmed our commitment, expressed in our May 10, 2012 supplemental proxy filing, that:

**No NEO bonuses will be paid unless and until the Company returns to profitability;** and

Based on the size and purpose of the 2011 multi-year challenge equity award (part of which, for our CEO, was delivered in January 2012), **no new equity incentive awards to NEOs will be considered until 2014 at the earliest.**

In 2012, given the challenges that our Company has faced over the past couple of years, we pared our executive compensation program down to salary only, at levels unchanged since early 2011. The Committee did not set targets for fiscal 2012 under our Executive Incentive Plan ( EIP ), under which we have traditionally paid annual bonuses, and the Committee has not yet determined whether to set targets under the EIP for fiscal 2013. Once the Company does return to profitability, the Committee will evaluate the Company's performance and the role of our executives in that performance to make a determination as to whether, and on what basis, any bonuses are warranted.

Because this is an advisory vote, it will not be binding on the Board and it will not directly affect or otherwise limit any existing compensation or award arrangement of any of our NEOs. However, we understand that our executive compensation practices are important to our stockholders. Our Compensation Committee will consider the outcome of this vote when considering future executive compensation arrangements.

In considering how to vote on this proposal, we encourage our stockholders to review all the relevant information in this proxy statement our CD&A (including its executive summary), the compensation tables, and the rest of the narrative disclosures regarding our executive compensation program.

*The Board recommends that you vote FOR approval of this say-on-pay proposal.*

## **PROPOSAL NO. 3 APPROVAL OF THE APPOINTMENT OF GRANT THORNTON LLP**

The Audit Committee has recommended and the Board of Directors subsequently approved the appointment of Grant Thornton LLP ( Grant Thornton ) as the Company's independent registered public accounting firm to perform the audit of the Company's financial statements for 2013. Grant Thornton was also the Company's independent registered public accounting firm for the year ended December 31, 2012.

The Board is asking stockholders to approve the appointment of Grant Thornton, although ratification is not required by law or by the Company's By-laws. The Board is submitting the appointment of Grant Thornton for approval as a matter of good corporate practice. Whether stockholders approve the appointment or not, the Board of Directors, in its discretion, may select an independent registered public accounting firm at any time during the year if it determines that to do so would be in the best interest of the Company and its stockholders. There is additional information about Grant Thornton under the heading *Information About Audit Fees and Audit Services*, below.

A representative of Grant Thornton is expected to be present at the Annual Meeting and will have the opportunity to make a statement and will be available to respond to appropriate questions from stockholders.

*The Board recommends that you vote **FOR** the approval of the appointment of Grant Thornton LLP as the Company's independent registered public accounting firm.*

## CORPORATE GOVERNANCE

We conduct our business under the direction of our Board. Members of the Board of Directors devote the time, energy, and attention as necessary to ensure diligent performance of their duties.

In November 2007, the Board of Directors adopted the Orion Marine Group, Inc. Corporate Governance Guidelines to assure that the Board has the necessary authority and guidelines in place to review and evaluate our business operations and to exercise judgment to act in the best interests of the Company and its stockholders. The Corporate Governance Guidelines set forth the practices the Board of Directors will follow with respect to making decisions regarding board composition and selection, board meetings, involvement of senior management in board meetings, Chief Executive Officer performance evaluation and succession planning, board committees and compensation matters. Directors are expected to attend all meetings of the Board of Directors and each committee on which they serve, and the Board of Directors encourages all its members to attend each Annual Meeting of Stockholders.

### Code of Ethics

The Company has adopted a code of ethics that applies to its senior accounting and financial officers, including the Chief Executive Officer and Chief Financial Officer and complies with the rules of the SEC and Rule 406 of the Sarbanes-Oxley Act of 2002. The code of ethics, as well as other governance documents, is available as described below under Website Availability of Governance Documents. Changes in and waivers to the code of ethics (if any) for the Company's directors, executive officers, and certain senior financial officers will be posted on the Company's website within five business days and maintained for at least twelve months.

### Website Availability of Governance Documents

You can access the Company's certificate of incorporation, By-laws, Code of Conduct, Code of Ethics, Corporate Governance Guidelines, and Stockholder Communication Policy, as well as the Audit, Nominating and Corporate Governance, and Compensation Committee Charters on the Investor Relations section of the Company's website at <http://www.orionmarinegroup.com>. Information contained on the Company's website or any other website is not incorporated into this proxy statement and does not constitute a part of this proxy statement. Additionally, any stockholder who so requests may obtain a printed copy of the governance documents from the Company's Corporate Secretary at the address indicated on the first page of this proxy statement.

### Stockholder Communications with the Board

Interested persons wishing to communicate with the Board may do so by the following means:

*Email:* [pbuchler@orionmarinegroup.com](mailto:pbuchler@orionmarinegroup.com)

*Mail:* Board of Directors  
Attn: Corporate Secretary  
Orion Marine Group, Inc.  
12000 Aerospace, Suite 300  
Houston, TX 77034

## Director Independence

NYSE listing rules require a majority of our directors to be independent. In accordance with these rules, our Board has reviewed the relationships between the Company and each director and has determined that none of Messrs. Amonett, Daerr, Shanfelter, and Stoever has a direct or indirect material relationships with management, and thus each of them satisfies the NYSE's definition of an independent director. Only Mr. Pearson, who serves as our President and Chief Executive Officer in addition to his role as director, is not independent. Each of the Board's committees is comprised solely of independent directors.

## Nomination of Directors

The Board of Directors is responsible for nominating a slate of candidates for Board membership, and acts through its Nominating and Corporate Governance Committee ( NCGC ), to review the composition of the Board, and screen and recruit potential director nominees in consultation with the Chairman of the Board

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and the Chief Executive Officer. Although the NCGC has not established specific minimum qualifications for a position on the Board, the Committee seeks candidates who individually demonstrate a high ethical standard, a wide range of business experience at the policy-making level, and the ability to exercise sound and mature judgment in matters that relate to the current and long-term objectives of the Company. The NCGC believes diversity of background, education, experience and social perspective, as well as independence, and the ability to represent the best interests of all stockholders, contribute to an optimal balance of Board members. The Board of Directors, upon recommendation by the NCGC, has determined that the nominee for director contributes to an active, effective and diverse Board.

## Board Leadership Structure

We have structured our Board of Directors such that the Chairman of the Board is an independent director. We believe that a chairman independent of management provides critical and independent thinking with respect to the Company's strategy and long-term objectives. Our Chief Executive Officer serves on the Board of Directors and provides in-depth understanding of the operations of the Company and the issues, opportunities, and challenges facing the Company.

## The Board's Role in Risk Oversight

The members of our Board of Directors are actively involved in the oversight of risk that could affect the Company.

This oversight is conducted primarily through the committees of the Board, as discussed in the charters of each committee and descriptions, below. We have adopted enterprise risk management policies based on the Integrated

Framework of the Committee of Sponsoring Organizations ( COSO ). Under these policies, the Chief Executive Officer, Chief Financial Officer, and General Counsel periodically report on the Company's risk management policies and practices to relevant Board Committees and to the full Board. The Audit Committee provides direction on risks identified by management through its annual risk assessment related to financial reporting and internal controls and provides a central oversight role with respect to financial and compliance risks, including compliance with the Foreign

Corrupt Practices Act. Our Compensation Committee considers potential risk related to the Company's overall compensation programs and effectiveness at linking executive pay to performance and aligning the interests of our executives and stockholders. Key risks to the Company's operations, liquidity, and strategies are considered by the full Board.

## Board/Committee Primary Areas of Risk Oversight

Full Board	Risk management process, structure, and overall policies and practices for enterprise risk management; strategic risks associated with business plans, significant capital transactions, including acquisitions and divestitures; and other significant risks such as major litigation, business development risks and succession planning
Audit Committee	Major financial risk exposure; significant operational, compliance, reputational, and strategic risks
Nominating and Governance Committee	Risks and exposures related to corporate governance, effectiveness of the Board and its committees in overseeing the Company, review of director candidates, conflicts of interest and director independence
Compensation Committee	

Risks related to executive recruitment, assessment, development, retention and succession policies and programs; and risks associated with compensation policies and practices, including incentive compensation

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## THE BOARD OF DIRECTORS AND ITS COMMITTEES

The following table sets forth the names, ages and positions of our director nominees and our continuing directors as of the date of this Proxy Statement.

	Current position	Age	Class	Director since	Term expires
<u>Nominees for Director</u>					
Austin J. Shanfelter	Director	56	III	2007	2013
Gene Stoever	Director	75	III	2007	2013
<u>Continuing Directors</u>					
Thomas N. Amonett	Director	69	I	2007	2014
Richard L. Daerr, Jr.	Chairman of the Board of Directors	68	II	2007	2015
J. Michael Pearson	President, Chief Executive Officer and Director	65	II	2006	2015

### Nominees for Class III Directors for a Three-Year Term to Expire in 2016

The following sets forth certain biographical information for the nominees for election as a director at the Annual Meeting, including each nominee's position with us and business experience during the past five years.

**Austin J. Shanfelter** Mr. Shanfelter has been a member of our Board and a Class III director since May 2007, and has served as Chairman of our Compensation Committee since May 2007 and as a member of the Nominating and Governance Committee since May 2010. He served until December 18, 2008, as a member of the Board of Directors of MasTec, Inc. (NYSE: MTZ), a publicly traded specialty contractor, and as a special consultant. Mr. Shanfelter served as Chief Executive Officer and President of MasTec from August 2001 until March 2007. From February 2000 until August 2001, Mr. Shanfelter was MasTec's Chief Operating Officer. Prior to being named Chief Operating Officer, he served as President of one of their service offerings from January 1997. Mr. Shanfelter has been in the telecommunications infrastructure industry since 1981. Mr. Shanfelter has been a member of the Society of Cable Television Engineers since 1982 and the National Cable Television Association since 1991. Mr. Shanfelter has served as President of the Power and Communications Contractors Association ( PCAA ). Since April 2009, Mr. Shanfelter has been a member of the Board of Directors of Patriot Risk Insurance Co., a privately held WC insurance company, and a Chairman of Global HR Research LLC. In August 2012, Mr. Shanfelter began serving as a member of the Board of Directors of Sabre Industries, a leading manufacturer of power delivery structures.

Mr. Shanfelter's achievements as an executive and director of MasTec, Inc., his many years of service as its Chief Executive Officer and President, and previously, its Chief Operating Officer, as well as his service on the board of other diverse entities, provide us with industry insight and perspective and qualify him to serve as one of our directors.

The National Association of Corporate Directors recently designated Mr. Shanfelter a *Governance Fellow*.

**Gene Stoever** Mr. Stoever has been a member of our Board and a Class III director since May 2007, has served as chairman of our Audit Committee since May 2007, and as a member of the Compensation Committee since May 2010. He was an audit partner with KPMG LLP for 24 years until his retirement in 1993. During his approximately 30-year tenure with KPMG, he served domestic and multinational clients engaged in the manufacturing, construction, refining, oil and gas, real estate and banking industries, as well as serving as SEC Reviewing Partner responsible for advising and reviewing client filings with the SEC. Mr. Stoever currently serves as chairman of the audit committee

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and previously as a member of the nominating and corporate governance committee of the Board of Directors of Evolution Petroleum Corp. (NYSE AMEX: EPM) and previously served on the Boards, and as chairman of the audit committees of Propex Inc. and several other companies. Mr. Stoever is a Certified Public Accountant in Texas (currently inactive license holder).

Mr. Stoever is well qualified to serve on our Board, based on his extensive experience in public accounting, his service on other boards, and his service as Chairman of our Audit Committee since 2007, coupled with his knowledge of financial reporting, SEC accounting rules and regulations, and generally



accepted accounting principles and auditing standards. Mr. Stoever qualifies as an audit committee financial expert pursuant to SEC rules. The National Association of Corporate Directors recently designated Mr. Stoever a *Governance Fellow*.

## Background of the Continuing Directors

**Thomas N. Amonett** Mr. Amonett has been a member of our Board and a Class I director since May 2007, and serves as the Chairman of the Nominating and Corporate Governance Committee, and as a member of the Audit Committee. He has been President, Chief Executive Officer and a director of Champion Technologies, Inc., a manufacturer and distributor of specialty chemicals and related services primarily to the oil and gas industry, since 1999. From November 1997 to June 1999, he was President, Chief Executive Officer and a director of American Residential Services, Inc., a company providing equipment and services relating to residential heating, ventilating, air conditioning, plumbing, electrical and indoor air quality systems and appliances. From July 1996 until June 1997, Mr. Amonett was Interim President and Chief Executive Officer of Weatherford Enterra, Inc., an energy services and manufacturing company. Mr. Amonett also served as the chairman of the board of TODCO, a provider of contract oil and gas drilling services primarily in the U.S. Gulf of Mexico shallow water and inland marine region from 2005 to 2007. He joined the board of Hercules Offshore, Inc., a provider of contract oil and gas drilling services and liftboat services, on July 11, 2007, where he serves as Chairman of the Nominating and Corporate Governance Committee. Mr. Amonett has been a director of Bristow Group Inc. (NYSE: BRS), a global provider of helicopter services, since 2006, where he currently serves on the Audit Committee and Executive Compensation Committee. Mr. Amonett also serves as an advisory director to Triten Corporation, a privately held company. During the past five years, Mr. Amonett has been a director of Stelmar Shipping, Ltd., an owner and operator of petroleum and petroleum product tankers, and Reunion Industries, Inc., a manufacturer of metal products.

Mr. Amonett is qualified to serve as one of our directors based on his considerable management, operational, and financial experience in a wide range of industries. Of particular note is his service as President and Chief Executive Officer of several companies, his service as a director of other companies, and his corporate governance experience and expertise. The National Association of Corporate Directors recently designated Mr. Amonett a *Governance Fellow*.

**Richard L. Daerr, Jr.** Mr. Daerr has served as non-executive Chairman of the Board and as a Class II director since May 2007, and is a member of each Board Committee. Mr. Daerr founded RK Enterprises in 1997, a firm that has assisted companies and investor groups in developing and implementing strategic plans and initiatives focused primarily on the energy, biotechnology, engineering and construction, and pharmaceuticals industries. From 1994 to 1996, Mr. Daerr served as President and Chief Executive Officer of Serv-Tech, Inc., an industrial services company that was listed on the NASDAQ. Mr. Daerr worked for CRSS, Inc. from 1979 to 1992 where he served as General Counsel and Chief Administrative Officer and as the President and Chief Operating Officer from 1990 to 1992. Prior its acquisition, CRSS, Inc. was a NYSE listed company and one of the largest engineering, architectural and construction management companies in the U.S. as well as one of the largest independent power producers in the U.S. CRSS owned a controlling interest in NATEC, Inc., a NASDAQ listed environmental services company of which Mr. Daerr was a director. Mr. Daerr has served on the boards of several private and public companies, including TIMEC Company, Inc., a refinery turnaround maintenance company, from 2002 to 2007, where he served as Chairman of an Independent Committee and served on the Audit Committee. Since 2003, Mr. Daerr has served as a director and on the Audit Committee of DISA, Inc., an industrial drug testing and background checking company. From 1976 to 1979, Mr. Daerr was Associate Counsel with Dresser Industries, Inc., an industrial equipment and materials supply company. From 1972 to 1976, he was a trial attorney with the antitrust division of the United States Department of Justice. In March 2011, Mr. Daerr began serving as a director of Entact, Inc., a performer of field remediation, environmental and construction services, and serves on its Audit Committee.

Mr. Daerr brings a vast amount of diverse experience to our Board, as he has served on numerous boards of public, private and not-for profit companies, as well as serving as a committee member within those boards. Mr. Daerr has been a consultant to various companies in the areas of strategic planning, acquisitions, divestitures and capital market transactions. As a former attorney with the Department of Justice and as

counsel to other businesses in the private sector, Mr. Daerr has dealt with many of the laws and regulatory issues that affect public companies today. The National Association of Corporate Directors has designated Mr. Daerr a *Governance Fellow*.

**J. Michael Pearson** Mr. Pearson has served as our President and Chief Executive Officer since 2006 and as a Class II director since May 2007. Mr. Pearson joined us as Chief Operating Officer in March 2006 from Global Industries, Inc. (NASDAQ: GLBL), an offshore marine construction company, where he served as Chief Operating Officer from May 2002 to November 2005 and Senior Vice President, Strategic Planning from February 2002 to May 2002. Prior to joining Global Industries, Inc., Mr. Pearson served as a General Manager for Enron Engineering and Construction Co. from 2000 to 2001. Prior to that position, Mr. Pearson served as Executive Vice President for Transoceanic Shipping Co. in 1999 and President and Chief Executive Officer for International Industrial Services, Inc. from 1997 to 1999. From 1973 to 1997, Mr. Pearson served in various management capacities at McDermott International, Inc. (NYSE: MDR), including as Vice President and General Manager. Mr. Pearson is a registered Professional Engineer in Louisiana, Idaho and Texas. Mr. Pearson currently serves as President of the Board of Directors of Louisiana Tech University's Engineering & Science Foundation (ESF), a corporation which supports the activities and programs for the Dean of the college of Engineering & Science at the University.

Mr. Pearson brings extensive industry knowledge to our Board of Directors and provides critical management insight regarding the challenges and opportunities facing the Company. He has over 40 years' management, operational and strategic experience in global marine construction related fields. He is also actively involved in numerous industry associations. His engineering experience is also of significant value as a Board Member. The National Association of Corporate Directors has designated Mr. Pearson a *Governance Fellow*.

## Meetings of the Board of Directors

Directors are expected to attend all meetings of the Board and each committee on which they serve, and the Board encourages all its members to attend each Annual Meeting of Stockholders.

The Board of Directors held eight meetings during 2012. All directors attended 100% of all meetings of the Board of Directors and all directors attended the 2012 Annual Meeting of Stockholders.

Non-management directors meet in executive session on a regular basis, generally at the end of a regularly-scheduled Board meeting. The Chairman of the Board presides over the executive session. In addition, the Audit Committee has adopted a practice of reserving time at each meeting to meet without members of Company management present. The Compensation Committee has adopted a similar practice.

## Committees of the Board

The Board has three standing committees; the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. These committees are comprised exclusively of independent directors as defined by the listing standards of the New York Stock Exchange. Each committee is governed by a written charter approved by the Board of Directors. A copy of each charter is available on the Company's website at <http://www.orionmarinegroup.com>.

The current membership of each Committee and other descriptive information is summarized below.

Director

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	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee Chair
Thomas Amonett	X		
Richard L. Daerr	X	X	X
Austin Shanfelter		Chair	X
Gene Stoever	Chair	X	

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*The Audit Committee* assists the Board in overseeing our accounting and financial reporting processes and the audits of our financial statements. Pursuant to its charter, the Audit Committee has the following responsibilities, among others:

- to select the independent auditor to audit our annual financial statements;
  - to approve the overall scope of and oversee the annual audit and any non-audit services;
  - to assist management in monitoring the integrity of our financial statements, the independent auditor's qualifications and independence, the performance of the independent auditor and our internal audit function, and our compliance with legal and regulatory requirements;
  - to discuss the annual audited financial statements and unaudited quarterly financial statements with management and the independent auditor;
  - to discuss policies with respect to risk assessment and risk management; and
  - to review with the independent auditor any audit problems or difficulties and management's responses.
- Messrs. Stoever (Chairman), Amonett, and Daerr are currently members of the Audit Committee, and the Board has determined each to be independent under NYSE listing standards and applicable SEC rules. In addition, Mr. Stoever meets the relevant standards as a financial expert as defined by SEC rules. During 2012, the Audit Committee met four times. A report by the Audit Committee is presented elsewhere in this proxy statement.

*The Compensation Committee* supports the Board in fulfilling its oversight responsibilities relating to senior management and director compensation. Pursuant to its charter, the Compensation Committee has the following responsibilities, among others:

- to develop an overall executive compensation philosophy, strategy and framework consistent with corporate objectives and stockholder interests;
- to review, approve and recommend all actions relating to compensation, promotion and employment-related arrangements for senior management, including severance arrangements;
- to approve incentive and bonus plans applicable to senior management and administer awards under incentive compensation and equity-based plans;
- to review and recommend major changes to and take administrative actions associated with any other forms of non-salary compensation; and
- to review and approve or recommend to the entire Board for its approval, any transaction in our equity securities between us and any of our officers or directors subject to Section 16 of the Exchange Act.

Messrs. Shanfelter (Chairman), Daerr, and Stoever are currently members of the Compensation Committee, and the Board has determined each to be independent under the listing standards of the NYSE. In addition, each is a non-employee director as defined in Rule 16b-3 promulgated under the Exchange Act and an outside director as defined in the regulations promulgated under Internal Revenue Code 162(m). The Compensation Committee met six times during 2012. A report by the Compensation Committee is presented elsewhere in this proxy statement.

*Compensation Committee Interlocks and Insider Participation.* During the last fiscal year, Austin Shanfelter, Richard L. Daerr, and Gene Stoever served on our Compensation Committee. No Compensation Committee member served as an officer or employee of our Company or any of our subsidiaries prior to or while serving on the Compensation Committee. None of our executive officers served during the last fiscal year on the board of directors or on the compensation committee of another entity, when one of that entity's executive officers served on our Board of Directors or on our Compensation Committee.

*The Nominating and Corporate Governance Committee* recommends director candidates to the Board, oversees the evaluation of Board and Committee members, develops and monitors corporate governance principles, practices and guidelines for the Board and the Company. Pursuant to its charter, the Nominating and Corporate Governance Committee has the following responsibilities, among others:

to identify individuals qualified to become Board members and to recommend that the Board select the director nominees for election at annual meetings of stockholders or for appointment to fill vacancies;

to recommend to the Board director nominees for each committee of the Board;

to advise the Board about appropriate composition of the Board and its committees;

to advise the Board about, develop and recommend to the Board appropriate corporate governance practices, principles and guidelines, and to assist the Board in implementing those practices;

to lead the Board in its annual review of the performance of the Board and its committees; and

to perform such other functions as the Board may assign to the committee from time to time

Messrs. Amonett (Chairman), Daerr and Shanfelter are currently members of this committee, and the Board has determined each to be independent as defined in the applicable rules of the NYSE and the SEC. The Nominating and Governance Committee met three times during 2012.

If a stockholder wishes to recommend a nominee for director for the 2013 Annual Meeting of Company Stockholders, written notice should be sent to the Corporate Secretary in accordance with instructions set forth below and later in this Proxy Statement under the caption *Submission of Stockholder Proposals for 2013 Annual Meeting* . Any stockholder notice of intention to nominate a director shall include:

The name and address of the stockholder;

A representation that the stockholder is entitled to vote at the meeting at which directors will be elected;

The number of shares of the Company that are beneficially owned by the stockholder;

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

The following information with respect to the person nominated by the stockholder:

◦ Name and address;

◦ A complete resume or statement of the candidate's qualifications, including education, work experience, industry knowledge, membership on other boards of directors and civic activity;

◦ A description of any arrangements and understandings between the stockholder and the nominee and any other persons pursuant to which the nomination is made;

◦ The consent of each such nominee to serve as a director if elected; and

◦ Such other information as required to be included in a proxy statement, including information with respect to a candidate's independence as defined under the rules and regulations of the SEC and the NYSE.

The Nominating and Corporate Governance Committee seeks to achieve a Board composed of individuals who have experience relevant to the needs of the Company and who have a high level of professional and personal ethics. In addition, prospective directors must have time available to devote to Board activities. The Nominating and Corporate

Governance Committee uses a variety of methods and multiple sources to identify and evaluate nominees for directors, including referrals from other directors and management, recommendations by stockholders, and third party professional search firms.

The Company did not receive any stockholder nominations for director to be considered by the Nominating and Corporate Governance Committee for the Annual Meeting and, pursuant to our By-laws, the time has elapsed for any stockholder to properly nominate a candidate for director for consideration at this year's Annual Meeting.

## **Annual Performance Evaluations**

Annually, the Board and its committees conduct self-performance evaluations and review each committee charter. Also annually, the Corporate Governance Guidelines are reviewed and reassessed for adequacy.

## DIRECTOR COMPENSATION

The following table describes the compensation earned by persons who served as non-employee directors during 2010. Mr. Pearson, who is an employee of the Company, received no additional compensation for his service on the Board.

Name	Fees Earned or Paid in Cash <sup>(1)</sup>	Stock Compensation <sup>(2)</sup>	Option Awards	Total
Thomas N. Amonett	\$ 60,500	\$ 60,000	\$	\$ 120,500
Richard L. Daerr, Jr.	\$ 106,000	\$ 60,000	\$	\$ 166,000
Austin J. Shanfelter	\$ 64,500	\$ 60,000	\$	\$ 124,500
Gene Stoever	\$ 64,500	\$ 60,000	\$	\$ 124,500

(1) Amounts in this column represent retainers, meeting fees and chairmanship fees as further described below.

As part of their annual compensation package in 2012, the non-employee directors each received a restricted stock grant with a grant date fair value of \$60,000, based on the mean price of the Company's stock on the date of grant. (2) These awards were granted on November 20, 2012, at which time the price was \$6.55. The restricted stock vests over a six-month time period and thus will vest in full on May 20, 2013.

The Compensation Committee of the Board of Directors retained Pearl Meyer & Partners, an independent consulting firm, to assist in determining the components and amounts of director compensation for 2012, based on comparisons of board compensation in similarly-situated companies.

Non-employee directors were compensated in 2012 based on the following fee structure:

Annual retainer	\$ 45,000
Board Chairman additional annual retainer	\$ 40,000
Audit Committee Chairman additional annual retainer	\$ 12,500
Compensation Committee Chairman additional annual retainer	\$ 12,500
Nominating and Corporate Governance Chairman additional annual retainer	\$ 8,500
Committee members additional annual retainer	\$ 7,000

All retainers are paid quarterly in arrears. The Company also reimburses non-employee directors for reasonable travel and lodging expenses incurred in attending Board and committee meetings.



## EXECUTIVE OFFICERS OF THE COMPANY

The following table sets forth the executive officers of the Company serving as of the date of this Proxy Statement. All executive officers are appointed by, and serve at the pleasure of, the Board. There is no family relationship between or among any of the Company's directors and executive officers.

Name	Age	Position with the Company
J. Michael Pearson	65	President, Chief Executive Officer and Director
Mark R. Stauffer	50	Executive Vice President and Chief Financial Officer
James L. Rose	48	Executive Vice President - Atlantic and Caribbean
Peter R. Buchler	67	Executive Vice President, Chief Administrative Officer, Chief Compliance Officer, General Counsel and Secretary

Below is a summary of the business experience of our executive officers who do not serve on the Board. Mr. Pearson's business experience is included under the caption *Background of the Continuing Directors*, above.

**Mark R. Stauffer** - Mr. Stauffer joined the Company in 1999 as Vice President and Chief Financial Officer, and was elected Executive Vice President and Chief Financial Officer in 2007. He also served as the Company's Corporate Secretary from 2004 until August 31, 2007. Mr. Stauffer has assumed increasing responsibilities for operational oversight and in 2011 he was elected President of the Company's operating subsidiaries. Prior to joining the Company, Mr. Stauffer served in various capacities at Coastal Towing, Inc. from 1986 to 1999, including Vice President and Chief Financial Officer. Mr. Stauffer has 26 years of experience in the marine industry, is a Certified Public Accountant and was recently designated a *Governance Fellow* by The National Association of Corporate Directors.

**James L. Rose** - Mr. Rose was named Executive Vice President - Atlantic and Caribbean of the Company in December 2007 and prior to this served as President of Orion Marine Construction, Inc. (f/k/a Misener Marine Construction, Inc. ( OMC )), a wholly-owned subsidiary of the Company, since 2006. Mr. Rose served as Area Manager- Jacksonville for OMC from 2005 to 2006 and prior to this he was employed from 2002 to 2005 as Project Engineer and Project Manager for Granite Construction Company. From 2001 to 2002, Mr. Rose served as Project Engineer and Project Manager for OMC. Mr. Rose has approximately 27 years of experience in the heavy civil construction industry.

**Peter R. Buchler** - Mr. Buchler joined the Company as Vice President, General Counsel and Corporate Secretary in September 2009. He subsequently became the Company's Chief Compliance Officer and effective January 1, 2010, became Executive Vice President. In 2011, he became our Chief Administrative Officer. Prior to joining the Company, Mr. Buchler founded and operated The Buchler Group, LLC, a consulting firm providing corporate and contracting advisory services to the domestic and international construction industry. From 2003 to 2008, Mr. Buchler worked for Global Industries, Ltd. (formerly NASDAQ: GLBL) in various capacities, including Assistant General Counsel, Vice President Commercial and Subcontracts, and Vice President of Asia Pacific. Prior to this, he served as Executive Vice President, Chief Administrative Officer, General Counsel and Corporate Secretary of Cooperheat-MQS, Inc, following service as Assistant General Counsel- Corporate, and subsequently Assistant General Counsel- the Marine Construction and Shipbuilding, Industrial Services segments of McDermott International, Inc. (NYSE: MDR). Mr. Buchler has 33 years of experience in the marine construction industry, is admitted to practice law in Texas and Louisiana and was recently designated by The National Association of Corporate Directors as a *Governance Fellow*.

## **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following tables, based in part upon information supplied by officers, directors and certain stockholders, sets forth the ownership of the Company's common stock as of the record date by:

(1) each person or entity who is known by the Company to own beneficially more than 5% of the Company's common stock;