

**HORNBECK OFFSHORE SERVICES, INC.
ANTI-CORRUPTION POLICY STATEMENT
FOR VENDORS AND THIRD PARTIES**

Hornbeck Offshore Services, Inc. and its subsidiaries and divisions (“HOS” or the “Company”) embrace the highest standards of honesty, ethics, and integrity as core business values. It is HOS’s policy to prohibit all improper or unethical payments anywhere in the world.

HOS is committed to full compliance with all laws applicable to the jurisdictions in which we operate. These laws include the Foreign Corrupt Practices Act ("FCPA" or "Act"), laws passed by countries signatory to the Organization for Economic Co-operation and Development Anti-Bribery Convention, and other anti-corruption and anti-bribery laws that prohibit commercial bribery and the bribery of foreign and domestic government officials (“anti-corruption laws”). This Policy Statement sets forth guidelines for complying with these laws. These guidelines apply to all of the domestic and foreign activities of HOS, its joint venturer, and business enterprise in which HOS is a participant and their respective vendors, agents, consultants, representatives, or other third parties (collectively referred to as “Vendors”).

Each officer, director, and employee of HOS, as well as joint ventures or any business enterprise in which HOS participates, and each of their respective Vendors, no matter where organized or operating, shall insure that no action taken by any officer, director, or employee or by any person or entity under his or her supervision violates or will violate any anti-corruption laws.

I. Bribery of Public Officials

The FCPA: (1) establishes rules governing the keeping of books and records and mandates that all corporations registered with the Securities and Exchange Commission ("SEC") develop and implement internal control systems to ensure the accuracy of books and records; (2) prohibits persons covered by the FCPA from directly or indirectly making corrupt payments, or offering or giving anything of value to certain Prohibited Persons (as defined below) in order to obtain business or commercial advantage or to retain same; and (3) imposes federal civil and criminal penalties for violations of its provisions.

A. Who is subject to the FCPA?

The FCPA applies to the following persons and corporations:

1. All persons who are citizens, nationals, or residents of the United States;
2. All U.S. corporations, partnerships or other business organizations;

3. All other corporations, partnerships and business organizations that have their principal place of business in the United States; and
4. All corporations that issue securities that have been registered in the United States or who are required to file periodic reports with the SEC.

In addition, persons who are neither citizens nor residents of the United States may become subject to the Act if they participate in a prohibited activity as an officer, director, employee, agent or representative of any U.S. corporation irrespective of where such activities occur.

B. What Conduct does the FCPA prohibit?

In general, the FCPA prohibits anyone subject to the Act from making any offer, payment, promise to pay, or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to a Prohibited Person for the purpose of influencing any act or decision of such person in his official capacity, to induce such person to do or omit to do any act in violation of his lawful duty or to secure any improper advantage in order to obtain or retain business.

Below are important points to note about the FCPA:

1. The Act applies to any act or event “in furtherance of” a payment to a foreign official. Thus it is not only the payment that is prohibited, but also any act taken in order to accomplish such a payment.
2. The “payment” clause of the FCPA covers not only the actual payment of money but also an offer, promise or authorization of the payment of money and an offer, gift, promise or authorization of the giving of “anything of value”. Thus, an offer, promise or authorization to pay money or give something of value can violate the FCPA, no matter whether any payment or gift is in fact made.
3. The Act applies to payments made to foreign officials, foreign political parties, officials of foreign political parties and candidates for foreign political office (each a "Prohibited Person").
 - The term “foreign official” is defined to mean an officer, employee or other person acting in an official capacity for a foreign government or any department, agency or instrumentality thereof or for a “public international organization.” This includes, for example, employees of state-owned enterprises such as PETROBRAS or PEMEX. Because HOS’s operations are also subject to the anti-corruption laws of jurisdictions outside the U.S., all public officials – including U.S.

public officials – should be treated as “foreign officials” for purposes of this policy.

- The term “instrumentality” includes business corporations owned or controlled by a foreign government.
 - The term “public international organization” means any organization that has been, or is hereafter, so designated in an Executive Order issued by the President. Dozens of organizations have been so designated, including the United Nations and many of its agencies, international financial institutions (such as the European Bank for Reconstruction and Development and the International Monetary Fund), the International Committee of the Red Cross and many others.
4. The Act applies to any payment made to any person while knowing or believing there is a high probability that at least a portion of the money or thing of value “will be offered, given, or promised, directly or indirectly” to a Prohibited Person. Thus, normal payments to independent third parties such as agents, lawyers, distributors, contractors, consultants, suppliers, etc., or to joint venture participants or noncontrolled joint venture entities, may violate the FCPA if it is known or there is an awareness of a high probability that the recipient will make payments to Prohibited Persons.
 5. Payments to Prohibited Persons are illegal under the Act if made for the following purposes in order “to assist...in obtaining or retaining business for or with, or directing business to, any person”:
 - Influencing any act or decision of the Prohibited Person in his official capacity, or inducing such Prohibited Person to do or omit to do any act in violation of the lawful duty of such official or to secure any improper advantage; or
 - Inducing the Prohibited Person to use his influence to affect or influence an act or decision of his government or government instrumentality or to secure any improper advantage.

The “retaining business” clause includes a prohibition against corrupt payments relating to the execution or performance of contracts or the carrying on of existing business, such as a payment to a Prohibited Person for the purpose of obtaining more favorable tax treatment.

6. The criminal and civil penalties for violating either the anti-bribery provisions or the books and record keeping provisions of the FCPA are very severe. For violation of the anti-bribery provisions of the Act, corporations are subject to

finer upon convictions under the Act of up to \$2,000,000.00 and under other federal law twice the amount of the gross pecuniary gain resulting from the prohibited payment. In addition to criminal penalties, corporations are subject to civil penalties of up to \$10,000.00.

Individuals who willfully violate the anti-bribery provisions of the Act are subject to fines of up to \$100,000.00, twice the amount of the gross pecuniary gain resulting from the prohibited payment and prison sentences of up to five years.

Persons who willfully violate any provision of the FCPA other than the anti-bribery provisions are subject to fines in the case of individuals of up to \$5,000,000.00 and in the case of corporations up to \$25,000,000.00. Individuals are subject to imprisonment of up to twenty years.

The FCPA prohibits fines and penalties imposed upon individuals from being paid directly or indirectly by any corporation for which such individuals may have acted.

II. Commercial Bribery

In addition to laws prohibiting the bribery of public officials, many jurisdictions in which we operate have laws prohibiting commercial bribery, *i.e.*, bribery of private persons or organizations. For example, the United Kingdom's Bribery Act ("Bribery Act") prohibits offering, promising, or giving a financial or other advantage to a person with the intent that the person perform a business function "improperly" – that is, that the person act partially or in bad faith. The Bribery Act also prohibits a person from requesting, accepting, or agreeing to accept such bribes.

These sorts of commercial bribery laws thus prohibit "under the table" payments to persons working for the Company's business partners. These prohibitions can also apply in certain situations pertaining to gifts, entertainment, travel, and other things of value. In this context, transparency is extremely important. Any company with which HOS does business should be made aware if HOS or anyone acting on behalf of HOS will provide anything of value to its employees. Such expenses should also be reasonable and proportionate, and in accordance with applicable law, and are subject to the Company's specific Guidelines and Procedures for complying with anti-corruption laws, found within HOS' Anti-Corruption Policy Statement.

Likewise, gifts, entertainment, and other things of value should only be accepted by HOS directors, officers, employees, or anyone acting on behalf of HOS in strict accordance with our Conflicts of Interest Policy and Vendor Gift Policy, found within the HOS Code of Business Conduct and Ethics Policy, and applicable law.

III. What conduct does this Policy Statement prohibit?

It is imperative that close and prompt attention be given to any transaction, no matter how insignificant, *which conceivably* could give rise to violations of the FCPA or the anti-corruption laws in any given area of operations. All HOS employees have specific reporting and record keeping obligations under the Company's FCPA and other policies. In respect of the matters set forth below, all Vendors are required to give prompt and adequate notice to their counterparty at HOS in order that HOS internal polices and procedures may be followed.

IV. Guidelines and Procedures for Vendor Compliance

The following specific procedures have been established for all Vendors of HOS. These policies and procedures may be changed from time to time by HOS in its sole discretion.

1. No payment of any kind whatsoever shall be promised, offered or given to any Prohibited Person. In addition, no payment or gift of any kind whatsoever shall be promised, offered or made to any Prohibited Person which violates any law, regulation or decree of the country in question.
2. Expenditures for meals, entertainment and other normal social amenities with respect to foreign officials may be made but must not be extravagant and must conform to the laws and customs of the country in which the expenditures are incurred.
3. Gifts may be given to foreign officials only if the gifts are of modest value and conform to normal social amenities in the official's country. Vendors should inform HOS in advance of the giving of a gift in order to obtain HOS' approval of the gift.
4. Upon advance approval from HOS' Chief Compliance Officer and prior to making any arrangements for or incurring any expenses in connection with, HOS may incur certain promotional and marketing expenses of foreign officials who in the performance of official duties visit installations or otherwise incur reasonable and bona fide expenses in connection with HOS business operations. In all cases the advance approval of HOS must be obtained for the payment of travel or other expenses of foreign officials or the furnishing of transportation for them on company aircraft.
5. In certain parts of the world it is common for government employees to receive so-called "facilitating" or "expediting" payments to expedite or secure the performance of routine governmental action by a foreign official.

No such payment may be made by Vendors unless advance written approval from HOS has been obtained.

6. No contributions of money or services to political parties or officials thereof or to candidates for political office outside the United States may be given by a Vendor on behalf of HOS without prior approval.
7. No sub-agent or sub-consultant may be engaged without prior approval of HOS.
8. No contract with any business enterprise owned by a Prohibited Person shall be entered into without the prior approval of HOS.
9. No lawyers, tax agents or other professionals engaged to provide assistance in resolving tax or other disputes with foreign government instrumentalities may be engaged by agents or consultants without approval of HOS.
10. HOS may not enter into a transaction with any person, including agents and consultants, that is designed to permit such persons to circumvent currency, tax or other laws of a foreign country. Any transaction that has the appearance of permitting any person to circumvent such laws (e.g., a contract requiring payments for services which are made outside the country in which the services are performed, or payments inside the country in other than the local currency) must receive the advance approval of HOS.
11. Complete and accurate records shall be maintained of all transactions, including transactions that relate in any way, directly or indirectly, to a Prohibited Person and included as part of the Vendors' invoices and requests for reimbursements.
12. We encourage you to raise any questions you may have about this Policy Statement or its applicability to your operations.