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GLOBAL INDUSTRIES LTD  
Form 424B5  
March 25, 2004

FILED PURSUANT TO RULE 424(b) (5)  
REGISTRATION NO. 333-86325

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED JUNE 2, 2000

9,525,000 Shares

[GLOBAL INDUSTRIES, LTD. LOGO]  
GLOBAL INDUSTRIES, LTD.

Common Stock

-----  
We are selling 9,525,000 shares of our common stock.

Our common stock is quoted on the Nasdaq National Market under the symbol "GLBL." The last reported sale price on March 23, 2004, was \$5.52 per share.

INVESTING IN OUR COMMON STOCK INVOLVES RISKS. SEE "RISK FACTORS" ON PAGE S-4.

	PRICE TO PUBLIC	UNDERWRITING DISCOUNTS AND COMMISSIONS	PROCEEDS TO GLOBAL INDUSTRIES
	-----	-----	-----
Per Share.....	\$5.25	\$0.20	\$5.05
Total.....	\$50,006,250	\$1,905,000	\$48,101,250

Delivery of the shares of common stock will be made on or about March 29, 2004.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus supplement or the prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

CREDIT LYONNAIS SECURITIES (USA) INC.  
JOHNSON RICE & COMPANY, L.L.C.

The date of this prospectus supplement is March 24, 2004

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YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR IN DOCUMENTS TO WHICH WE HAVE REFERRED YOU. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION THAT IS DIFFERENT. THIS DOCUMENT MAY ONLY BE USED WHERE IT IS LEGAL TO SELL THESE SECURITIES. THE INFORMATION IN THIS DOCUMENT MAY ONLY BE ACCURATE ON THE DATE OF THIS DOCUMENT.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You can read and copy any document we file at the

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SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. You can obtain information on the operation of the SEC's public reference room by calling the SEC at 1-800-732-0330. You can also find our SEC filings at the SEC's website at [www.sec.gov](http://www.sec.gov) and on our website at [www.globalind.com](http://www.globalind.com). Information on our website is not part of this prospectus.

The SEC allows our company to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") until we sell all of the securities or until we terminate this registration statement:

- Our Annual Report on Form 10-K for the year ended December 31, 2003; and
- The description of our common stock contained in our Form 8-A registration statement filed on January 8, 1993, including any amendment or report filed before or after the date of this prospectus supplement for the purpose of updating the description.

You may request a copy of these filings at no cost, by writing our company at the following address or telephoning our company at the following number:

Global Industries, Ltd.  
Attention: Chief Financial Officer  
8000 Global Drive  
Carlyss, Louisiana 70665  
Telephone: (337) 583-5000

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### OUR COMPANY

Global Industries, Ltd., directly and through its subsidiaries, provides construction services to the offshore oil and gas industry in the U.S. Gulf of Mexico and in selected international areas. Our construction services include pipeline construction, platform installation and removal, diving services and construction support. We began as a provider of diving services to the offshore oil and gas industry over thirty years ago and have expanded our business through acquisitions, new construction and upgrades of vessels. At December 31, 2003, our fleet included 68 vessels, including 63 manned vessels. We have the largest number of offshore construction vessels currently available in the Gulf of Mexico, and our worldwide fleet includes 18 barges that have various combinations of pipelay, pipebury and derrick capabilities.

Our executive offices are located at 8000 Global Drive, Carlyss, Louisiana 70665 and our telephone number at our offices is (337) 583-5000.

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### SUMMARY CONSOLIDATED FINANCIAL DATA

You should read the following summary consolidated financial data along with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2003 and our consolidated financial statements and the related notes incorporated by reference into this prospectus supplement.

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	YEAR ENDED DECEMBER 31,		
	2001	2002 (1)	2003 (2)
	(IN THOUSANDS, EXCEPT PER SHARE DATA)		
INCOME STATEMENT DATA:			
Revenues.....	\$406,104	\$494,010	\$488,719
Gross profit.....	70,849	63,478	9,751
Selling, general and administrative expenses.....	35,706	39,452	39,487
Operating income (loss).....	32,924	(17,750)	(57,562)
Interest expense.....	21,868	14,673	10,775
Income (loss) before income taxes.....	10,422	(34,187)	(67,983)
Provision (benefit) for income taxes.....	4,266	(4,824)	346
Net income (loss).....	6,156	(29,363)	(68,329)
Net income (loss) per share (diluted).....	\$ 0.07	\$ (0.30)	\$ (0.68)
OTHER FINANCIAL DATA:			
Depreciation and amortization.....	\$ 53,921	\$ 58,340	\$ 54,362
Net cash provided by (used in) operations.....	14,609	88,573	(457)
Net cash provided by (used in) investing activities.....	(29,777)	(35,842)	(12,161)
Net cash provided by (used in) financing activities.....	1,246	(36,067)	42
Capital expenditures.....	13,869	23,840	15,996

	AS OF DECEMBER 31,		
	2001	2002	2003
	(IN THOUSANDS)		
BACKLOG DATA.....	\$351,583	\$275,713	\$ 96,177
BALANCE SHEET DATA:			
Net property and equipment.....	\$502,258	\$439,898	\$401,753
Total assets.....	748,177	701,644	620,831
Long-term debt (including current maturities).....	234,740	126,657	123,728
Shareholders' equity.....	396,764	441,188	377,071

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- (1) Included in net income (loss) and net income (loss) per share is the effect of the one-time pre-tax non-cash charge of \$45.8 million related to our decision to eliminate certain non-core and underperforming assets.
- (2) Included in net income (loss) and net income (loss) per share is the effect of the pre-tax \$33.5 million provision related to an adverse judgment in such amount in our litigation with Groupe GTM (now Vinci), which litigation arose out of our termination of an acquisition agreement in 1999.

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RISK FACTORS

Before investing in our common stock you should consider carefully the risks described below, in addition to other information contained or

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incorporated by reference in this prospectus supplement and the accompanying prospectus. In addition, please read "Cautionary Statement About Forward-Looking Statements" on page 2 of the accompanying prospectus, where we describe additional uncertainties associated with our business and the forward-looking statements contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

OUR BUSINESS IS SUBSTANTIALLY DEPENDENT ON THE LEVEL OF CAPITAL EXPENDITURES IN THE OIL AND GAS INDUSTRY AND LOWER CAPITAL EXPENDITURES WILL ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

The demand for our services depends on the condition of the oil and gas industry and, in particular, on the capital expenditures of companies engaged in the offshore exploration, development, and production of oil and natural gas. Capital expenditures by these companies are primarily influenced by three factors: (1) the oil and gas industry's ability to economically justify placing discoveries of oil and gas reserves in production; (2) the oil and gas industry's need to clear all structures from the lease once the oil and gas reserves have been depleted; and (3) weather events, such as major hurricanes. Historically, prices of oil and natural gas and offshore exploration, development and production have fluctuated substantially. Oil and gas companies have moderated capital expenditures in economically marginal production areas. This has decreased demand for offshore construction and related services in certain segments in which we participate, and has resulted in increased competition in certain segments for available projects, all of which has adversely affected our profit margins. A sustained period of substantially reduced capital expenditures by oil and gas companies will result in continued decreased demand for our services, low margins, and possibly net losses.

OUR DEBT INSTRUMENTS CONTAIN COVENANTS THAT LIMIT OUR OPERATING AND FINANCIAL FLEXIBILITY.

On March 9, 2004, we entered into a new \$125.0 million secured revolving credit facility, which replaced the previous \$100.0 million credit facility. Under the terms of our new revolving credit facility, we must maintain minimum levels of tangible net worth and earnings before interest, taxes, and depreciation/amortization, not exceed levels of debt and capital expenditures specified in the agreement, and comply with, among other things, an interest coverage ratio and a leverage ratio. For a more detailed discussion of our new revolving credit facility, please read "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources" in our Annual Report on Form 10-K for the year ended December 31, 2003.

Our ability to meet the financial ratios and tests under our new revolving credit facility is affected by the results of our operations and by events beyond our control. We may not be able to satisfy those ratios and tests. Under our previous credit facility, it was necessary for us to seek covenant waivers on several occasions. If we fail to comply with the ratios and tests in our new revolving credit facility, and we are unable to obtain a waiver, no further borrowings would be available under the credit facility and our lenders will be entitled to, among other things, accelerate the debt outstanding under the credit facility so that it is immediately due and payable and ultimately foreclose on our assets that secure the debt. In addition our other long-term debt agreements contain cross default provisions that could allow acceleration of such debt under these circumstances. Any significant inability to draw on the new revolving credit facility or acceleration of the debt outstanding under the credit facility or other indebtedness would have a material adverse effect on our financial condition and operations.

OUR ABILITY TO INCUR DEBT AND ISSUE LETTERS OF CREDIT IS LIMITED, WHICH COULD LIMIT THE NUMBER AND SIZE OF CONTRACTS WE CAN OBTAIN AND/OR PERFORM.

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Our new revolving credit facility is limited to \$125.0 million. At March 23, 2004, \$50.5 million of credit capacity was available under our credit facility. The entire facility is available for issuance of letters of credit, and \$110.0 million is available for direct cash advances. Certain contracts require substantial

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amounts of working capital and/or performance letters of credit. We may be limited in the number and size of contracts we can perform by our available credit.

OUR INTERNATIONAL OPERATIONS EXPOSE US TO ADDITIONAL RISKS INHERENT IN DOING BUSINESS ABROAD.

A significant portion of our revenue is derived from operations outside the United States. The scope and extent of our operations outside of the U.S. Gulf of Mexico means we are exposed to the risks inherent in doing business abroad. These risks include:

- currency exchange rate fluctuations, devaluations, and restrictions on currency repatriation;
- unfavorable taxes, tax increases, and retroactive tax claims;
- the disruption of operations from labor and political disturbances;
- insurrection or war that may disrupt or limit markets;
- expropriation or seizure of our property;
- nullification, modification or renegotiation of existing contracts;
- regional economic downturns; and
- import/export quotas and other forms of public and governmental regulation.

We cannot predict the nature of foreign governmental regulations applicable to our operations that may be enacted in the future. In many cases, our direct or indirect customer will be a foreign government, which can increase our exposure to these risks. U.S. government-imposed export restrictions or trade sanctions under the Export Administration Act, the Trading with the Enemy Act or similar legislation or regulation may also impede our ability, or the ability of our customers, to operate or continue to operate in specific countries. These factors could have a material adverse effect on our financial condition and results of operation.

WE ARE EXPOSED TO THE SUBSTANTIAL HAZARDS AND RISKS INHERENT IN MARINE CONSTRUCTION AND OUR INSURANCE COVERAGE IS LIMITED.

Our business involves a high degree of operational risks. Hazards and risks that are inherent in marine operations include capsizing, grounding, colliding and sustaining damage from severe weather conditions. In addition, our construction work can disrupt existing pipelines, platforms and other offshore structures. Any of these could cause damage to or destruction of vessels, property or equipment, personal injury or loss of life, suspension of production operations, or environmental damage. The failure of offshore pipelines or structural components during or after installation by us could also result in similar injuries or damages. Any of these events could result in interruption of

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our business or significant liability.

We cannot always obtain insurance for our operating risks, and it is not practical to insure against all risks in all geographic areas. Builders risk insurance is becoming increasingly expensive and coverage limits have been decreasing. Uninsured liabilities resulting from our operations may materially and adversely affect our business and results of operations.

CRITICAL ACCOUNTING POLICIES SIGNIFICANTLY AFFECT OUR REPORTED FINANCIAL RESULTS AND CONDITIONS.

Although our financial statements are prepared in accordance with U.S. generally accepted accounting principles, their preparation requires us to make estimates and judgments that offset the reported amounts. Certain critical accounting policies affect our more significant judgments and estimates and they are described in "Management's Discussion and Analysis of Financial Condition and Results of Operations -- Significant Accounting Policies and Estimates" in our Annual Report on Form 10-K for the year ended December 31, 2003. Actual amounts and results may differ materially from our estimates.

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WE DEPEND ON SIGNIFICANT CUSTOMERS.

Some of our segments derive a significant amount of their revenues from a small number of customers. For example, sales to PEMEX represented more than 10% of our consolidated revenue and a majority of our Latin American revenue in 2002 and 2001. The inability of these segments to continue to perform services for a number of their large existing customers, if not offset by contracts with new or other existing customers, could have a material adverse effect on our business and results of operations.

DURING PERIODS OF STRONG DEMAND, WE MAY BE UNABLE TO OBTAIN CRITICAL PROJECT MATERIALS ON A TIMELY BASIS.

Our operations depend on being able to timely procure certain project materials, such as pipe, to complete projects in an efficient manner. Our inability to procure critical materials could have a material adverse effect on our business and results of operations.

WE UTILIZE PERCENTAGE-OF-COMPLETION ACCOUNTING.

Since our contract revenues are recognized on a percentage-of-completion basis, we periodically review contract revenue and cost estimates as the work progresses. Accordingly, adjustments are reflected in income in the period when any revisions are determined. To the extent that these adjustments result in a reduction of previously reported profits, we would recognize a charge against current earnings that may be significant depending on the size of the adjustment.

WE MAY NOT COMPLETE OUR FIXED-PRICE CONTRACTS WITHIN OUR ORIGINAL ESTIMATES OF COSTS, WHICH WILL ADVERSELY AFFECT OUR RESULTS.

Because of the nature of the offshore construction industry, most of our projects are performed on a fixed-price basis. The profits we realized on our contracts will often vary from the estimated amounts because of changes in offshore job conditions, in labor and equipment productivity and in third party costs. In addition, we sometimes bear the risk of delays caused by bad weather conditions. We may continue to suffer lower profits or even losses on projects because of cost overruns resulting from these or other causes.

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WE HAVE INCURRED LOSSES IN RECENT PERIODS AND MAY INCUR ADDITIONAL LOSSES IN THE FUTURE WHICH COULD ADVERSELY AFFECT OUR OPERATIONS.

In recent years we have incurred losses from operations. We incurred operating losses in 2003 and 2002. We may continue to have operating losses in the future if we cannot obtain sufficient work and complete projects within our cost estimates. Continuing operating losses could have significant adverse effects on our future operations including limiting our ability to adjust to changing market conditions, reducing our ability to withstand competitive pressures and impairing our ability to obtain financing to provide for future working capital needs and capital expenditures.

IF WE ARE UNABLE TO ATTRACT AND RETAIN SKILLED WORKERS OUR BUSINESS WILL BE ADVERSELY AFFECTED.

Our operations depend substantially upon our ability to continue to retain and attract project managers, project engineers, and skilled construction workers such as divers, welders, pipefitters, and equipment operators. Our ability to expand our operations is impacted by our ability to increase our labor force. The demand for skilled workers in our industry is currently high and the supply is limited. As a result of the cyclical nature of the oil and gas industry as well as the physically demanding nature of the work, skilled workers may choose to pursue employment in other fields. A significant increase in the wages paid or benefits offered by competing employers could result in a reduction in our skilled labor force, increases in our employee costs, or both. If either of these events occur, our operations and results could be materially adversely affected.

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OUR RESULTS OF OPERATIONS MAY BE ADVERSELY AFFECTED BY UNFORESEEN WORK STOPPAGES OR LABOR PROBLEMS.

Some of our employees and the employees of some of our subcontractors are represented by unions. None of our employees are covered by a collective bargaining agreement; however, we are aware of recent efforts by union representatives to expand their reach in the offshore construction industry. We are not protected against work stoppages or labor problems by our employees or employees of the subcontractors we use. For example, in 2003, we experienced reduced productivity on one project due to a work stoppage by some employees of our welding subcontractor. Work stoppages or other labor problems could materially adversely effect our results of operations.

OUR OPERATIONS COULD SUFFER WITH THE LOSS OF ONE OF OUR SENIOR OFFICERS OR OTHER KEY PERSONNEL.

Our success depends heavily on continued services of our senior management and key employees, including William J. Dore, our founder, Chairman of the Board and Chief Executive Officer. Our officers and key personnel have extensive experience in our industry, so if we were to lose any of our key employees or executive officers, our operations could suffer.

OUR INDUSTRY IS HIGHLY COMPETITIVE.

Offshore construction companies compete intensely for projects. Contracts for our services are generally awarded on a competitive bid basis, and intense price competition is a primary factor in determining who is awarded the job. Customers also consider availability and capability of equipment, reputation, experience, and safety record of the contender in awarding jobs. Certain competitors may be willing to accept risks or work for little or no margin on projects to gain experience or market share, to cover fixed costs of their



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fleets or to avoid the expense of temporarily idling vessels, resulting in reduced prices. During industry down cycles in particular, we may have to accept lower rates for our services and vessels or increased contractual liabilities. As we have increased our operations in deeper waters and internationally, we have encountered additional competitors, many of whom have greater experience than we do in these markets and greater resources. As large international companies relocate vessels to the Gulf of Mexico, levels of competition may increase and our business could be adversely affected.

Additionally, our competitiveness in international markets may be adversely affected by regulations requiring, among other things, the awarding of contracts to local contractors, the employment of local citizens and/or the purchase of supplies from local vendors or that favor or require local ownership.

COMPLIANCE WITH ENVIRONMENTAL AND OTHER GOVERNMENTAL REGULATIONS COULD BE COSTLY AND COULD NEGATIVELY IMPACT OUR OPERATIONS.

Our vessels and operations are subject to and affected by various types of governmental regulation including many international, federal, state and local environmental protection laws and regulations. These laws and regulations are becoming increasingly complex and stringent, and compliance may become increasingly difficult and expensive. We may be subject to significant fines and penalties for non-compliance, and some environmental laws impose joint and several "strict liability" for cleaning up spills and releases of oil and hazardous substances, regardless of whether we were negligent or at fault. These laws and regulations may expose us to liability for the conduct of or conditions caused by others, or for our acts that complied with all applicable laws at the time we performed the acts.

Adoption of laws or regulations that have the effect of curtailing exploration for and production of oil and natural gas in our areas of operation could adversely affect our operations by reducing demand for our services. In addition, new laws or regulations, or changes to existing laws or regulations, may increase our costs or otherwise adversely affect our results of operations.

OUR PRINCIPAL SHAREHOLDER IS ABLE TO EXERCISE SUBSTANTIAL INFLUENCE.

After this offering, Mr. William J. Dore will beneficially own approximately 26% of our outstanding common stock. As a result, Mr. Dore is able to exercise substantial influence on the outcome of matters

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requiring a shareholder vote, including the election of directors. This influence may have the effect of delaying, deferring, or preventing a change in control of our company.

WE LIMIT FOREIGN OWNERSHIP OF OUR COMPANY, WHICH COULD REDUCE THE PRICE OF OUR COMMON STOCK.

Our articles of incorporation limit the percentage of outstanding common stock and other classes of voting securities that non-United States citizens can own. Applying the statutory requirements applicable today under the Jones Act of 1920, our articles of incorporation provide that no more than 25% of our outstanding common stock may be owned by non-United States citizens. These restrictions may at times preclude United States citizens from transferring their common stock to non-United States citizens. This may also restrict the available market for resale of shares of common stock and for the issuance of shares by us and could adversely affect the price of our common stock.

PROVISIONS IN OUR CORPORATE DOCUMENTS AND LOUISIANA LAW COULD DELAY OR PREVENT A

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CHANGE IN CONTROL OF OUR COMPANY, EVEN IF THAT CHANGE WOULD BE BENEFICIAL TO OUR SHAREHOLDERS.

The existence of some provisions in our corporate documents could delay or prevent a change in control of our company, even if that change would be beneficial to our shareholders. Our articles of incorporation and by-laws contain provisions that may make acquiring control of our company difficult, including: provisions relating to the nomination and removal of our directors, provisions regulating the ability of our shareholders to bring matters for action at annual meetings of our shareholders, and the authorization given to our board of directors to issue and set the terms of preferred stock. Louisiana law also effectively limits the ability of a potential acquirer to obtain a written consent of our shareholders.

WE MAY ISSUE PREFERRED STOCK WHOSE TERMS COULD ADVERSELY AFFECT THE VOTING POWER OR VALUE OF OUR COMMON STOCK.

Our articles of incorporation authorize us to issue, without the approval of our shareholders, one or more classes or series of preferred stock having such preferences, powers and relative, participating, optional and other rights, including preferences over our common stock respecting dividends and distributions, as our board of directors generally may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events, or on the happening of specified events, or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of the common stock.

WE HAVE NO PLANS TO PAY DIVIDENDS ON OUR COMMON STOCK.

We have no plans to pay dividends in the foreseeable future. We intend to invest our future earnings, if any, to fund our growth. In addition, our new revolving credit facility limits the payment of cash dividends. Any payment of future dividends will be at the discretion of our board of directors and will depend upon, among other things, our earnings, financial condition, capital requirements, level of indebtedness, contractual restrictions applying to the payment of dividends and other considerations that our board of directors deems relevant.

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### USE OF PROCEEDS

The net proceeds from the issuance of the shares of common stock are estimated to be approximately \$47.9 million. We intend to use the net proceeds to repay a portion of the indebtedness outstanding under our new revolving credit facility.

On March 23, 2004, we had \$57.0 million outstanding under our new revolving credit facility. The indebtedness under our revolving credit facility was incurred to pay outstanding balances under our prior credit agreement when it was terminated on March 9, 2004 and to pay fees and expenses related to the new revolving credit facility. Our new revolving credit facility matures on March 9, 2007, and borrowings under the facility bear interest at floating rates based on a spread over either a prime rate or LIBOR rate (4.8% at March 23, 2004). Amounts paid on our new revolving credit facility may be reborrowed from time to time.

### CAPITALIZATION

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The following table presents our capitalization and certain other information as of December 31, 2003:

- on a historical basis;
- as adjusted for additional net borrowings after December 31, 2003 of \$40.4 million, the replacement of our previous credit facility with our new revolving credit facility on March 9, 2004 and the borrowing thereunder of \$3.8 million to pay fees and expenses related to our new revolving credit facility; and
- as further adjusted to give effect to the issuance and sale of the common stock offered by this prospectus supplement and the application of the estimated net proceeds therefrom as described under "Use of Proceeds."

You should read the table in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2003 and our consolidated financial statements and the related notes incorporated by reference into this prospectus supplement and the accompanying prospectus.

	AS OF DECEMBER 31, 2003		
	HISTORICAL	AS ADJUSTED	AS FURTHER ADJUSTED
	-----	-----	-----
	(IN THOUSANDS)		
Cash and Cash Equivalents.....	\$ 15,628	\$ 15,628	\$ 15,628
	=====	=====	=====
Long-term debt, including current maturities.....	\$123,728	\$167,918	\$120,000
Shareholder's equity:			
Preferred stock, 30,000,000 shares authorized; none issued.....	--	--	--
Common stock, 150,000,000 shares authorized; 101,282,097 shares issued; 110,807,097 shares issued as further adjusted.....	1,013	1,013	1,100
Additional paid-in capital.....	288,137	288,137	335,940
Accumulated other comprehensive income (loss).....	(8,978)	(8,978)	(8,978)
Retained earnings.....	96,899	96,899	96,899
	-----	-----	-----
Total shareholders' equity.....	377,071	377,071	424,971
	-----	-----	-----
Total capitalization.....	\$500,799	\$544,989	\$544,989
	=====	=====	=====

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UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated March 24, 2004, we have agreed to sell to the underwriters named below, for whom Credit Lyonnais Securities (USA) Inc. is acting as representative, the following respective number of shares of common stock:

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UNDERWRITER -----	NUMBER OF SHARES -----
Credit Lyonnais Securities (USA) Inc. ....	9,425,000
Johnson Rice & Company, L.L.C. ....	100,000
	-----
Total.....	9,525,000 =====

The underwriting agreement provides that the underwriters are obligated to purchase all of the shares of common stock in the offering if any are purchased. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

The underwriters propose to offer the shares of common stock initially to the public at the public offering price on the cover page of this prospectus supplement, and at that price less a concession not in excess of \$0.13 per share of common stock to other dealers specified in a master agreement among underwriters, if any, who are members of the National Association of Securities Dealers, Inc. The underwriters may allow, and the other dealers specified, if any, may reallow, concessions, not in excess of \$0.05 per share of common stock, to those other dealers. After this public offering is commenced, the representatives may change the public offering price and concession and discount to broker/dealers.

The following table summarizes the underwriting compensation and estimated expenses we will pay.

	PER SHARE -----	TOTAL -----
Underwriting Discounts and Commissions paid by us.....	\$0.20	\$1,905,000
Expenses payable by us.....	\$0.02	\$ 200,000

More than 10% of the net proceeds from the sale of the common stock in this offering will be used to repay indebtedness owed by us to Credit Lyonnais New York Branch, the lender in our new revolving credit facility, which is a commercial banking affiliate of Credit Lyonnais Securities (USA) Inc. Accordingly, the offering is being made in compliance with the requirements of Rules 2710(c)(8) and 2720 of the Conduct Rules of the National Association of Securities Dealers, Inc.

We have agreed that we will not (i) directly or indirectly, offer, sell, contract to sell, pledge or otherwise dispose of any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock or enter into any transaction that would have the same effect, (ii) enter into any swap, hedge or other arrangement that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of our common stock, whether any such swap, hedge or other arrangement described in clause (i) or (ii) above is to be settled by delivery of our common stock or such other securities, in cash or otherwise, for a period of 60 days after the date of this prospectus supplement without the prior written consent of Credit Lyonnais Securities (USA) Inc., except for (a) the issuance of any shares of our common stock or of any options to purchase our common stock granted under our current director or employee benefit plans or any employee benefit plans in which all of our non-officer full-time employees are eligible to participate on substantially

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similar terms; (b) the issuance of shares of our common stock in exchange for or upon conversion of currently outstanding securities of the company in accordance with their terms; or (c) the issuance of shares of our capital stock in connection with acquisitions made in the ordinary course of business.

Our executive officers and directors have agreed that they will not (i) directly or indirectly, offer, sell, contract to sell, pledge or otherwise dispose of any shares of our common stock or any securities convertible into or exercisable or exchangeable for our common stock, or enter into any transaction that

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would have the same effect, or make any demand for or exercise any right with respect to, the registration of any of our common stock, or any security convertible into or exercisable for our common stock, or (ii) enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any such swap, hedge or other arrangement described in clause (i) or (ii) above is to be settled by delivery of our common stock or such other securities, in cash or otherwise, or publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement for a period of 60 days after the date of this prospectus supplement without the prior consent of Credit Lyonnais Securities (USA) Inc., except for (a) any shares of our common stock acquired in the open market after the date of this prospectus, or (b) transactions executed pursuant to an existing 10b5-1 plan.

Certain of the underwriters and their respective affiliates have from time to time performed and may in the future perform various financial advisory, commercial banking and investment banking services for us in the ordinary course of business, for which they received or will receive customary fees.

We have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute payments that the underwriters may be required to make in that respect.

In connection with the offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, penalty bids and passive market making in accordance with Regulation M under the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the over-allotment option, if applicable. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option, if applicable. The underwriters may close out any short position by either exercising their over-allotment option, if applicable, and/or purchasing shares in the open market.
- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of the shares to close out the short position, the underwriters will consider, among

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other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option, if applicable. If the underwriters sell more shares than could be covered by the over-allotment option, if applicable, a naked short position, that position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member are purchased in a stabilizing transaction or a syndicate covering transaction to cover syndicate short positions.
- In passive market making, market makers in the common stock who are underwriters or prospective underwriters may, subject to limitations, make bids for or purchases of common stock until the time, if any, at which a stabilizing bid is made.

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These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the Nasdaq National Market or otherwise and, if commenced, may be discontinued at any time.

### LEGAL MATTERS

The validity of the shares of common stock we are offering will be passed upon for us by Vinson & Elkins L.L.P., Houston, Texas. Certain legal matters with respect to the shares will be passed upon for the underwriters by Schulte Roth & Zabel LLP, New York, New York.

### EXPERTS

The financial statements and the related financial statement schedule incorporated in this prospectus supplement by reference from our Annual Report on Form 10-K for the year ended December 31, 2003, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference (which report expresses an unqualified opinion and includes an explanatory paragraph referring to the adoption of Statement of Financial Accounting Standard, or SFAS, No. 142, "Goodwill and Other Intangible Assets" in 2002, and SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," as amended, in 2001) and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

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### PROSPECTUS

\$500,000,000

[GLOBAL INDUSTRIES, LTD. LOGO]

GLOBAL INDUSTRIES, LTD.

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Debt Securities  
Preferred Stock  
Depositary Shares  
Common Stock  
Warrants

Global Industries, Ltd. may offer from time to time debt securities, preferred stock, depositary shares, common stock or warrants. The specific terms of any securities offered will be included in a supplement to this prospectus. The prospectus supplement will also describe the manner in which the securities will be offered. You should read this prospectus and any prospectus supplement carefully before you invest.

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THE SECURITIES AND EXCHANGE COMMISSION AND STATE SECURITIES REGULATORS HAVE NOT APPROVED OR DISAPPROVED THESE SECURITIES, OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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June 2, 2000

### ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission utilizing a "shelf" registration process. Under this shelf registration process, we may sell any combination of the securities described in this prospectus in one or more offerings up to a total dollar amount of \$500 million. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of the offering and the securities to be sold. The prospectus supplement may also add, update or change information contained in this prospectus. Any statement that we make in this prospectus will be modified or superseded by any inconsistent statement made by our company in a prospectus supplement. You should read both this prospectus and any prospectus supplement together with the additional information described in the following section.

As used in this prospectus, "Global," "we," "us," and "our" refer to Global Industries, Ltd. and its subsidiaries.

### WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549, and at 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. You may obtain information on the operation of the SEC's public reference room in Washington, D.C. by calling the SEC at 1-800-SEC-0330.

Our common stock is listed on the Nasdaq National Market System under the symbol "GLBL." Our reports, proxy statements and other information may be read and copied at the National Association of Securities Dealers, Inc. at 1735 K Street, N.W., Washington, D.C. 20006.

This prospectus constitutes part of a registration statement on Form S-3

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filed with the SEC under the Securities Act of 1933. It omits some of the information contained in the registration statement, and reference is made to the registration statement for further information with respect to us and the securities we are offering. Any statement contained in this prospectus concerning the provisions of any document filed as an exhibit to the registration statement or otherwise filed with the SEC is not necessarily complete, and in each instance reference is made to the copy of the document filed.

The SEC allows our company to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities or until we terminate this registration statement:

- Our Annual Report on Form 10-K for the year ended December 31, 1999;
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2000;  
and
- The description of our common stock contained in our Form 8-A registration statement filed on January 8, 1993, including any amendment or report filed before or after the date of this prospectus for the purpose of updating the description.

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You may request a copy of these filings at no cost, by writing our company at the following address or telephoning our company at the following number:

Global Industries, Ltd.  
Attention: Chief Financial Officer  
8000 Global Drive  
Carlyss, Louisiana 70665  
Telephone: (337) 583-5000

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated by reference is accurate as of any date other than the date of those documents.

### CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS

This prospectus and the documents we incorporate by reference contain statements that constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. These statements appear in a number of places in this prospectus and the documents we incorporate by reference and include statements regarding our plans, beliefs or current expectations, including the plans, beliefs and expectations of our officers and directors.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, such forward-looking statements are not assurances of future performance and involve risks and uncertainties. Actual results may



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differ materially from anticipated results for a number of reasons, including:

- fluctuations in the prices or demand for oil and gas;
- the level of offshore drilling activity;
- operating hazards;
- industry conditions;
- foreign exchange and currency fluctuations;
- changes in laws or regulations;
- acquisition or divestitures;
- environmental matters; and
- the availability of capital resources.

The information contained in this prospectus, and the documents incorporated by reference into this prospectus, identify additional factors that could affect our operating results and performance. Additional risks and uncertainties may be included in any prospectus supplement. We urge you to carefully consider those factors.

All forward-looking statements attributable to our company are expressly qualified in their entirety by this cautionary statement. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, you are cautioned that the forward-looking events discussed in this prospectus or any supplement to this prospectus might not occur.

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### THE COMPANY

Global Industries, Ltd., directly and through its subsidiaries, provides construction services to the offshore oil and gas industry in the Gulf of Mexico and in selected international areas. Our construction services include pipeline construction, platform installation and removal, diving services, and construction support. We began as a provider of diving services to the offshore oil and gas industry over twenty-nine years ago and have expanded our business through acquisitions, new construction, and upgrades of vessels. The Company's fleet currently includes 73 manned vessels available for service. We have the largest number of offshore construction vessels currently available in the Gulf of Mexico, and our worldwide fleet includes 23 barges that have various combinations of pipelay, pipebury, and derrick capabilities.

Our executive offices are located at 8000 Global Drive, Carlyss, Louisiana 70665, and our telephone number at our offices is (337) 583-5000.

### USE OF PROCEEDS

Unless otherwise provided in a prospectus supplement, we will use the net proceeds from the sale of the securities offered by this prospectus and any prospectus supplement for general corporate purposes, which may include repayment of indebtedness, the financing of capital expenditures, future acquisitions and additions to our working capital. The net proceeds may be invested temporarily until they are used for their stated purpose.

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### RATIOS OF EARNINGS TO FIXED CHARGES

The following table contains our consolidated ratios of earnings to fixed charges and earnings to fixed charges plus dividends for the periods indicated.

	YEAR ENDED MARCH 31,			NINE MONTHS ENDED DECEMBER 31,	YEAR END DECEMBER
	1996	1997	1998	1998 (1)	1999
Ratio of earnings to fixed charges(2).....	14.5x	11.9x	14.0x	6.8x	.4x (
Ratio of earnings to fixed charges plus dividends(2).....	14.5x	11.9x	14.0x	6.8x	.4x (

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- (1) Effective December 31, 1998, we changed our fiscal year-end to December 31 of each year.
- (2) For purposes of computing the ratios of earnings to fixed charges and earnings to fixed charges plus dividends: (1) earnings consist of income before income taxes plus fixed charges, excluding capitalized interest, and (2) fixed charges consist of interest expense (including capitalized interest) and the estimated interest component of rent expense (one-third of total rent expense). There were no dividends paid or accrued during the periods presented above.

For various periods set forth, we guaranteed certain indebtedness of an unconsolidated affiliate. The associated fixed charges related to such indebtedness approximated \$2.1 million, \$1.5 million and \$.9 million for the periods ended March 31, 1998, and December 31, 1998 and 1999, respectively, and have not been included in the computation of the ratios.

- (3) Earnings were inadequate to cover fixed charges by \$11.8 million for the year ended December 31, 1999, by \$10.8 million for the three months ended March 31, 2000.

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### DESCRIPTION OF DEBT SECURITIES

Any debt securities issued using this prospectus ("Debt Securities") will be our direct unsecured general obligations. The Debt Securities will be either senior debt securities ("Senior Debt Securities") or subordinated debt securities ("Subordinated Debt Securities").

The Senior Debt Securities and the Subordinated Debt Securities will be issued under separate indentures between our company and a U.S. banking institution (a "Trustee"). The Trustee for each series of Debt Securities will be identified in the applicable prospectus supplement. Senior Debt Securities will be issued under a "Senior Indenture" and Subordinated Debt Securities will be issued under a "Subordinated Indenture." Together the Senior Indenture and the Subordinated Indenture are called "Indentures."

The Debt Securities may be issued from time to time in one or more series. The particular terms of each series that is offered by a prospectus supplement

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will be described in the prospectus supplement.

We have summarized selected provisions of the Indentures below. The summary is not complete. The forms of the Indentures have been filed as exhibits to the registration statement and you should read the Indentures for provisions that may be important to you. In the summary below, we have included references to section numbers of the applicable Indentures so that you can easily locate these provisions. Whenever we refer in this prospectus or in the prospectus supplement to particular sections or defined terms of the Indentures, such sections or defined terms are incorporated by reference herein or therein, as applicable. Capitalized terms used in this summary have the meanings specified in the Indentures.

### GENERAL

The Indentures provide that Debt Securities in separate series may be issued from time to time without limitation as to aggregate principal amount. We may specify a maximum aggregate principal amount for the Debt Securities of any series. (Section 301) We will determine the terms and conditions of the Debt Securities, including the maturity, principal and interest, but those terms must be consistent with the applicable Indenture.

The Senior Debt Securities will rank equally with all of our other senior unsecured and unsubordinated debt ("Senior Debt"). The Subordinated Debt Securities will be subordinated in right of payment to the prior payment in full of all of our Senior Debt as described under "-- Subordination of Subordinated Debt Securities" and in the prospectus supplement applicable to any Subordinated Debt Securities.

A prospectus supplement and a supplemental indenture or Board Resolutions relating to any series of Debt Securities being offered will include specific terms related to the offering, including the price or prices at which the Debt Securities to be offered will be issued. These terms will include some or all of the following:

- the title of the Debt Securities;
- whether the Debt Securities are Senior Debt Securities or Subordinated Debt Securities;
- the total principal amount of the Debt Securities;
- the dates on which the principal of the Debt Securities will be payable;
- the interest rate of the Debt Securities and the interest payment dates for the Debt Securities;
- the places where payments on the Debt Securities will be payable;
- any terms upon which the Debt Securities may be redeemed at our option;
- any sinking fund or other provisions that would obligate our company to repurchase or otherwise redeem the Debt Securities;
- whether the Debt Securities are defeasible;
- any addition to or change in the Events of Default;
- if convertible into our common stock or any of our other securities, the terms on which such Debt Securities are convertible;

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- any addition to or change in the covenants in the applicable Indenture; and
- any other terms of the Debt Securities not inconsistent with the provisions of the applicable Indenture. (Section 301)

The Indentures do not limit the amount of Debt Securities that may be issued. Each Indenture allows Debt Securities to be issued up to the principal amount that may be authorized by our company and may be in any currency or currency unit designated by us.

If so provided in the applicable prospectus supplement, we may issue the Debt Securities at a discount to their principal amount and pay less than the entire principal amount of the Debt Securities upon declaration of acceleration of their maturity ("Original Issue Discount Securities"). The applicable prospectus supplement will describe all material U.S. federal income tax, accounting and other considerations applicable to Original Issue Discount Securities.

### SENIOR DEBT SECURITIES

The Senior Debt Securities will be unsecured senior obligations and will rank equally with all other senior unsecured and unsubordinated debt. The Senior Debt Securities will, however, be subordinated in right of payment to all our secured indebtedness to the extent of the value of the assets securing such indebtedness. Except as provided in the applicable Senior Indenture or specified in any authorizing resolution or supplemental indenture relating to a series of Senior Debt Securities to be issued, the Senior Indenture will not limit the amount of additional indebtedness that may rank equally with the Senior Debt Securities or the amount of indebtedness, secured or otherwise, that may be incurred or preferred stock that may be issued by any of our subsidiaries.

### SUBORDINATION OF SUBORDINATED DEBT SECURITIES

Under the Subordinated Indenture, payment of the principal, interest and any premium on the Subordinated Debt Securities will generally be subordinated in right of payment to the prior payment in full of all of our Senior Debt, including any Senior Debt Securities. The prospectus supplement relating to any Subordinated Debt Securities will summarize the subordination provisions of the Subordinated Indenture applicable to that series, including:

- the applicability and effect of such provisions upon any payment or distribution of our assets to creditors upon any liquidation, bankruptcy, insolvency or similar proceedings;
- the applicability and effect of such provisions in the event of specified defaults with respect to Senior Debt, including the circumstances under which and the periods in which we will be prohibited from making payments on the Subordinated Debt Securities; and
- the definition of Senior Debt applicable to the Subordinated Debt Securities of that series.

The inability to make any payment due on any of the Subordinated Debt Securities as a result of the subordination provisions of the Subordinated Indenture described in the prospectus supplement will not prevent the occurrence of an Event of Default under the Subordinated Debt Securities.

### CONVERSION RIGHTS

The Debt Securities may be converted into other securities of our company,

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if at all, according to the terms and conditions of an applicable prospectus supplement. Such terms will include the conversion price, the conversion period, provisions as to whether conversion will be at the option of the holders of such series of Debt Securities or at the option of our company, the events requiring an adjustment of the

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conversion price and provisions affecting conversion in the event of the redemption of such series of Debt Securities.

### FORM, EXCHANGE AND TRANSFER

The Debt Securities of each series will be issuable only in fully registered form, without coupons. Unless otherwise indicated in the applicable prospectus supplement, the securities will be issued in denominations of \$1,000 each or multiples thereof. (Section 302)

Subject to the terms of the applicable Indenture and the limitations applicable to global securities, Debt Securities may be transferred or exchanged at the corporate trust office of the Trustee or at any other office or agency maintained by our company for such purpose, without the payment of any service charge except for any tax or governmental charge. (Sections 305 and 1002)

### GLOBAL SECURITIES

The Debt Securities of any series may be issued, in whole or in part, by one or more global certificates that will be deposited with a depository identified in the applicable prospectus supplement.

No global security may be exchanged in whole or in part for Debt Securities registered in the name of any person other than the depository for such global security or any nominee of such depository unless:

- the depository is unwilling or unable to continue as depository;
- an Event of Default has occurred and is continuing; or
- as otherwise provided in a prospectus supplement.

Unless otherwise stated in any prospectus supplement, The Depository Trust Company ("DTC") will act as depository. Beneficial interests in global certificates will be shown on, and transfers of global certificates will be affected only through records maintained by DTC and its participants.

### PAYMENT

Unless otherwise indicated in the applicable prospectus supplement, payment of interest on Debt Securities on any interest payment date will be made to the persons in whose names such Debt Securities are registered at the close of business on the regular record date for such interest payment. (Section 307)

Unless otherwise indicated in the applicable prospectus supplement, principal, interest and any premium on the Debt Securities will be paid at designated places. However, at our option, payment may be made by check mailed to the persons in whose names the Debt Securities are registered on days specified in the Indenture or any prospectus supplement. (Sections 1002 and 1003)

### CONSOLIDATION, MERGER AND SALE OF ASSETS

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We may consolidate with or merge into, or sell or lease substantially all of our properties to any person if:

- the successor person (if any) is a corporation, partnership, trust or other entity organized and validly existing under the laws of any United States jurisdiction and assumes our obligations on the Debt Securities and under the Indentures;
- immediately after giving effect to the transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have occurred and be continuing; and
- any other conditions specified in the applicable prospectus supplement are met. (Section 801)

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### EVENTS OF DEFAULT

Unless otherwise specified in the prospectus supplement, each of the following will constitute an event of default ("Event of Default") under the Indentures:

- failure to pay principal or premium on any Debt Securities of that series when due;
- failure to pay any interest on any Debt Securities of that series when due that continues for 30 days;
- failure to deposit any sinking fund payment, when due, on any Debt Securities of that series;
- failure to perform any other covenant or the breach of any warranty in the Indenture for 90 days after being given written notice;
- certain events of bankruptcy, insolvency or reorganization affecting us; and
- any other Event of Default included in the applicable Indenture, supplemental indenture or Board Resolution. (Section 501)

If an Event of Default (other than as a result of bankruptcy, insolvency or reorganization) for any series of Debt Securities occurs and continues, the Trustee or the holders of at least 25% in aggregate principal amount of the outstanding Debt Securities of that series may declare the principal amount of the Debt Securities of that series (or, such portion of the principal amount of such Debt Securities, as may be specified in a prospectus supplement) to be due and payable immediately. If an Event of Default results from bankruptcy, insolvency or reorganization, the principal amount of all the Debt Securities of a series (or, such portion of the principal amount of such Debt Securities as may be specified in a prospectus supplement) will automatically become immediately due and payable. If an acceleration occurs, subject to certain conditions, the holders of a majority of the aggregate principal amount of the Debt Securities of that series can rescind the acceleration. (Section 502)

Other than its duties in case of an Event of Default, a Trustee is not obligated to exercise any of its rights or powers under the applicable Indenture at the request of any of the holders of Debt Securities, unless the holders offer the Trustee reasonable indemnity. (Section 603) Subject to the indemnification of the Trustees, the holders of a majority in aggregate principal amount of the outstanding Debt Securities of any series may direct the

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time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Debt Securities of that series. (Section 512)

The holders of Debt Securities of any series will not have any right to institute any proceeding with respect to the applicable Indenture, unless:

- the holders have given written notice to the Trustee of an Event of Default;
- the holders of at least 25% in aggregate principal amount of the outstanding Debt Securities of that series have made written request, and have offered reasonable indemnity, to the Trustee to institute such proceeding as trustee; and
- the Trustee fails to institute such proceeding, and has not received from the holders of a majority in aggregate principal amount of the outstanding Debt Securities of that series a direction inconsistent with such request, within 60 days after such notice, request and offer. (Section 507)

Such limitations do not apply, however, to a suit instituted by a holder of Debt Securities for the enforcement of payment of the principal, interest or premium on such Debt Securities on or after the applicable due date. (Section 508)

We will be required to furnish to each Trustee annually within 120 days of the end of each fiscal year a statement by certain of our officers as to whether or not we are in default in the performance of any of the terms of the applicable Indenture. (Section 1004)

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### MODIFICATION AND WAIVER

Under each Indenture, our rights and obligations and the rights of holders may be modified with the consent of the holders of a majority in aggregate principal amount of the outstanding Debt Securities of each series affected by the modification. No modification of the principal or interest payment terms, and no modification reducing the percentage required for modifications, however, is effective against any holder without its consent.

### DEFEASANCE AND COVENANT DEFEASANCE

If, and to the extent, indicated in the applicable prospectus supplement, we may elect, at our option at any time, to have the provisions of the Indentures, relating to defeasance and discharge of indebtedness and to defeasance of certain restrictive covenants, applied to the Debt Securities of any series, or to any specified part of a series. (Section 1301)

Defeasance and Discharge. The Indentures provide that, upon the exercise of our option (if any), we will be discharged from all our obligations with respect to the applicable Debt Securities upon the deposit in trust for the benefit of the holders of such Debt Securities of money or U.S. government obligations, or both, which, through the payment of principal and interest in respect thereof in accordance with their terms, will provide money in an amount sufficient to pay the principal of and any premium and interest on such Debt Securities on the respective stated maturities in accordance with the terms of the applicable Indenture and such Debt Securities. Any additional conditions to the discharge of our obligations with respect to a series of Debt Securities will be described in an applicable prospectus supplement. (Sections 1302 and

1304)

Defeasance of Certain Covenants. The Indentures provide that, upon the exercise of our option (if any), we may omit to comply with certain restrictive covenants described in an applicable prospectus supplement, the occurrence of certain Events of Default as described in an applicable prospectus supplement will not be deemed to either be or result in an Event of Default and, if such Debt Securities are Subordinated Debt Securities, the provisions of the Subordinated Indenture relating to subordination will cease to be effective, in each case with respect to such Debt Securities. In order to exercise such option, we must deposit, in trust for the benefit of the holders of such Debt Securities, money or U.S. government obligations, or both, which, through the payment of principal and interest in respect thereof in accordance with their terms, will provide money in an amount sufficient to pay the principal of and any premium and interest on such Debt Securities on the respective stated maturities in accordance with the terms of the applicable Indenture and such Debt Securities. Any additional conditions to exercising this option with respect to a series of Debt Securities will be described in an applicable prospectus supplement. (Sections 1303 and 1304)

#### NOTICES

Notices to holders of Debt Securities will be given by mail to the addresses of such holders as they may appear in the security register. (Sections 101 and 106)

#### TITLE

We, the Trustees and any agent of ours or of a Trustee may treat the person in whose name a Debt Security is registered as the absolute owner of the Debt Security, whether or not such Debt Security may be overdue, for the purpose of making payment and for all other purposes. (Section 308)

#### GOVERNING LAW

The Indentures and the Debt Securities will be governed by, and construed in accordance with, the law of the State of New York. (Section 112)

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#### DESCRIPTION OF CAPITAL STOCK

Pursuant to our articles of incorporation, our authorized capital stock consists of 150,000,000 shares of common stock and 30,000,000 shares of preferred stock. As of May 5, 2000, we had 91,849,801 shares of common stock outstanding, and no shares of preferred stock outstanding.

#### COMMON STOCK

Our common shareholders are entitled to one vote per share in the election of directors and on all other matters submitted to a vote of our common shareholders. Our common shareholders do not have cumulative voting, preemptive, subscription, redemption or conversion rights.

Our common shareholders are entitled to receive ratably any dividends declared by our board of directors out of funds legally available for the payment of dividends. Dividends on our common stock are, however, subject to any preferential dividend rights of outstanding preferred stock. We do not intend to pay cash dividends on our common stock in the foreseeable future, and certain of our financing arrangements restrict the payment of cash dividends.



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Upon our liquidation, dissolution or winding up, our common shareholders are entitled to receive ratably our net assets available after payment of all of our debts and other liabilities. Any payment is, however, subject to the prior rights of any outstanding preferred stock.

The common stock will, when issued, be fully paid and non-assessable.

Our common stock is admitted for trading on the Nasdaq National Market and trades under the symbol "GLBL."

### PREFERRED STOCK

The following summary describes certain general terms of our authorized preferred stock. If we offer preferred stock, a description will be filed with the SEC and the specific terms of the preferred stock will be described in the prospectus supplement, including the following terms:

- the series, the number of shares offered and the liquidation value of the preferred stock;
- the price at which the preferred stock will be issued;
- the dividend rate, the dates on which the dividends will be payable and other terms relating to the payment of dividends on the preferred stock;
- the liquidation preference of the preferred stock;
- the voting rights of the preferred stock;
- whether the preferred stock is redeemable or subject to a sinking fund, and the terms of any such redemption or sinking fund;
- whether the preferred stock is convertible or exchangeable for any other securities, and the terms of any such conversion; and
- any additional rights, preferences, qualifications, limitations and restrictions of the preferred stock.

Our articles of incorporation allows our board of directors to issue preferred stock from time to time in one or more series, without any action being taken by our shareholders. Subject to the provisions of our articles of incorporation and limitations prescribed by law, our board of directors may adopt resolutions to issue shares of a series of our preferred stock, and establish their terms. These terms may include:

- voting powers;
- designations;
- preferences;

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- dividend rights;
- terms of redemption;
- redemption process;
- conversion or exchange rights; and

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- any other terms permitted to be established by our articles of incorporation and by applicable law.

The preferred stock will, when issued, be fully paid and non-assessable.

### ANTI-TAKEOVER PROVISIONS

Certain provisions in our articles of incorporation and bylaws may encourage persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our board of directors rather than pursue non-negotiated takeover attempts.

**No Written Consent of Shareholders.** Our articles of incorporation provides that any action required or permitted to be taken by our shareholders must be taken at a duly called annual or special meeting of our shareholders. Special meetings of our shareholders may be called only by the chairman of our board of directors, the president, a majority of the board of directors or the executive committee of the board of directors.

**Preferred Stock.** Our articles of incorporation authorizes preferred stock. Our board of directors can set the voting, redemption, conversion and other rights relating to such preferred stock and can issue such stock in either a private or public transaction. The issuance of preferred stock, while providing desired flexibility in connection with possible acquisitions and other corporate purposes, could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments or payments upon liquidation. In addition, issuance of preferred stock could have the effect of delaying, deferring or preventing a change in control of our company.

**Foreign Ownership Restrictions.** Our articles of incorporation limit foreign ownership of our capital stock to protect our ability to register our vessels under U.S. federal law and operate our vessels in United States coastwise trade. In order to enjoy the benefits of United States registry and United States coastwise trade, we must maintain United States citizenship as defined in the Shipping Act of 1916, as amended (the "Shipping Act"), and the regulations thereunder. Under these regulations, to remain a United States citizen qualified to engage in coastwise trade, our president or chief executive officer and chairman of the board of directors must be United States citizens, and a majority of a quorum of our board of directors must be United States citizens. Further, at least 75% of the ownership and voting power of our capital stock must be held by United States citizens, as defined in the Shipping Act and the regulations thereunder.

Under our articles of incorporation, any transfer of any shares of capital stock is void and ineffective as against the Company if it would result in one or more persons who is not a United States citizen for purposes of United States coastwise domestic shipping (as defined in the Shipping Act) owning or controlling 23% of our capital stock or voting power (or, if different, 2% less than the percentage -- currently 25% -- that would prevent the company from being a United States citizen for purposes of engaging in United States coastwise domestic shipping). Moreover, if at any time ownership of capital stock or voting power (either of record or beneficial) by non-United States citizens exceeds 23% (or the permitted percentage, if different), we may withhold payment of dividends on, and may suspend the voting rights of, the shares deemed to be in excess of the permitted percentage.

Our common stock certificates bear legends concerning these restrictions on ownership by non-United States citizens. In addition, the bylaws authorize the board of directors (1) to require, as a condition to any transfer of shares on the records of the Company, representations and other proof as to the identity of existing or prospective shareholders and (2) to establish and maintain a dual stock certificate system under

which different forms of certificates may be used to indicate whether or not the owner is a United States citizen.

Restrictions on Nomination of Directors and Shareholder Proposals. Our bylaws establish an advance notice procedure for shareholder nominations of candidates for election as directors as well as for other shareholder proposals to be considered at shareholders' meetings. Notice of shareholder proposals and shareholder director nominations must be given in writing to the Company's secretary prior to the meeting at which such proposals and/or nomination are being considered and at least 90 days prior to the anniversary date of the last annual meeting. In the case of an election at a special meeting, notice must be given not later than the earlier of the tenth day after the day the special meeting notice was first mailed to shareholders or otherwise publicly disclosed.

Any notice from a shareholder presenting a proposal or nominating a person to be a director must contain information about the shareholder and, in the case of director nominations, all information that would be required to be included in a proxy statement soliciting proxies for the nominee's election (including the nominee's written consent to serve as a director if elected). If a meeting's presiding officer determines that a shareholder's proposal or nomination is not made in accordance with these procedures, the proposal or nomination may be disregarded.

Business Combinations under Louisiana Law. As permitted by Louisiana law, our articles of incorporation expressly authorize the board of directors, when considering a tender offer, exchange offer, merger or consolidation, to consider, among other factors, the social and economic effects of the proposals on the company, our subsidiaries and our employees, customers, creditors and communities.

#### LIMITATION OF LIABILITY OF OFFICERS AND DIRECTORS

Section 24 of the Louisiana Business Corporation Law authorizes corporations to limit or eliminate the personal liability of officers and directors to corporations and their shareholders for monetary damages for breach of officers' and directors' fiduciary duties, except for:

- any breach of the officer's or director's duty of loyalty to our company or our shareholders;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 92D of the Louisiana Business Corporation Law; or
- any transaction from which the officer or director derived an improper personal benefit.

Our articles of incorporation limits the liability of our officers and directors to our company and our shareholders to the fullest extent permitted by Louisiana law. The inclusion of these provisions in our articles of incorporation may reduce the likelihood of derivative litigation against our officers and directors, and may discourage or deter shareholders or management from bringing a lawsuit against our officers and directors for breach of their duty of care, even though such an action, if successful, might have otherwise benefited our company and our shareholders.

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Both our articles of incorporation and bylaws provide indemnification to our officers and directors and certain other persons with respect to certain matters to the maximum extent allowed by Louisiana law as it exists now or may hereafter be amended. The company has entered into indemnification agreements with each of our directors, which provide for our directors and officers to be named as insureds under any directors' and officers' liability insurance policies maintained by the company. The indemnification agreements also provide that the company will indemnify each director against losses and expenses resulting from a claim or claims made against such director for any act, failure to act or neglect or breach of duty, including: (1) any error, misstatement or misleading statement committed, suffered, permitted or acquiesced in by the director, or (2) any of the foregoing alleged by any claimant, or any claim against the director or executive officer solely by reason of such person being a director or officer of the company, subject to certain exclusions. The indemnification agreements also provide certain procedures regarding the

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right to indemnification and for the advancement of expenses. These provisions, however, do not alter the liability of officers and directors under federal securities laws and do not affect the right to sue, nor to recover monetary damages, under federal securities laws for violations thereof.

### TRANSFER AGENT AND REGISTRAR

Our transfer agent and registrar for the common stock is American Stock Transfer & Trust Company.

### DESCRIPTION OF DEPOSITARY SHARES

#### GENERAL

We may offer fractional shares of preferred stock, rather than full shares of preferred stock. If we decide to offer fractional shares of preferred stock, we will issue receipts for depositary shares. Each depositary share will represent a fraction of a share of a particular series of preferred stock, and the prospectus supplement will indicate that fraction. The shares of preferred stock represented by depositary shares will be deposited under a deposit agreement between our company and a depositary that is a bank or trust company that meets certain requirements and is selected by us. Each owner of a depositary share will be entitled to all of the rights and preferences of the preferred stock represented by the depositary share. The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Depositary receipts will be distributed to those persons purchasing the fractional shares of preferred stock in accordance with the terms of the offering.

We have summarized selected provisions of the deposit agreement and the depositary receipts, but the summary is qualified by reference to the provisions of the depositary agreement and the depositary receipts.

#### DIVIDENDS AND OTHER DISTRIBUTIONS

If we pay a cash distribution or dividend on a series of preferred stock represented by depositary shares, the depositary will distribute such dividends to the record holders of such depositary shares. If the distributions are in property other than cash, the depositary will distribute the property to the record holders of the depositary shares. If the depositary determines, however, that it is not feasible to make the distribution of property, the depositary may, with our approval, sell such property and distribute the net proceeds from such sale to the holders of the preferred stock.

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### REDEMPTION OF DEPOSITARY SHARES

If we redeem a series of preferred stock represented by depositary shares, the depositary will redeem the depositary shares from the proceeds received by the depositary in connection with the redemption. The redemption price per depositary share will equal the applicable fraction of the redemption price per share of the preferred stock. If fewer than all the depositary shares are redeemed, the depositary shares to be redeemed will be selected by lot or pro rata as the depositary may determine.

### VOTING THE PREFERRED STOCK

Upon receipt of notice of any meeting at which the holders of the preferred stock represented by depositary shares are entitled to vote, the depositary will mail the notice to the record holders of the depositary shares relating to such preferred stock. Each record holder of these depositary shares on the record date, which will be the same date as the record date for the preferred stock, may instruct the depositary as to how to vote the preferred stock represented by such holder's depositary shares. The depositary will endeavor, insofar as practicable, to vote the amount of the preferred stock represented by such depositary shares in accordance with such instructions, and we will take all action that the depositary deems necessary in order to enable the depositary to do so. The depositary will abstain from voting shares

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of the preferred stock to the extent it does not receive specific instructions from the holders of depositary shares representing such preferred stock.

### AMENDMENT AND TERMINATION OF THE DEPOSIT AGREEMENT

The form of depositary receipt evidencing the depositary shares and any provision of the deposit agreement may be amended by agreement between the depositary and us. Any amendment that materially and adversely alters the rights of the holders of depositary shares will not, however, be effective unless such amendment has been approved by the holders of at least a majority of the depositary shares then outstanding. The deposit agreement may be terminated by the depositary or our company only if (1) all outstanding depositary shares have been redeemed or (2) there has been a final distribution in respect of the preferred stock in connection with any liquidation, dissolution or winding up of our company and such distribution has been distributed to the holders of depositary receipts.

### CHARGES OF DEPOSITARY

We will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. We will pay charges of the depositary in connection with the initial deposit of the preferred stock and any redemption of the preferred stock. Holders of depositary receipts will pay other transfer fees and other taxes and governmental charges and any other charges, including a fee for the withdrawal of shares of preferred stock upon surrender of depositary receipts, as are expressly provided in the deposit agreement to be for their accounts.

### WITHDRAWAL OF PREFERRED STOCK

Upon surrender of depositary receipts at the principal office of the depositary, subject to the terms of the deposit agreement, the owner of the depositary shares may demand delivery of the number of whole shares of preferred stock and all money and other property, if any, represented by those depositary

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shares. Partial shares of preferred stock will not be issued. If the depositary receipts delivered by the holder evidence a number of depositary shares in excess of the number of depositary shares representing the number of whole shares of preferred stock to be withdrawn, the depositary will deliver to such holder at the same time a new depositary receipt evidencing the excess number of depositary shares. Holders of preferred stock thus withdrawn may not thereafter deposit those shares under the deposit agreement or receive depositary receipts evidencing depositary shares therefor.

### MISCELLANEOUS

The depositary will forward to holders of depositary receipts all reports and communications from our company that are delivered to the depositary and that we are required to furnish to the holders of the preferred stock.

Neither the depositary nor our company will be liable if we are prevented or delayed by law or any circumstance beyond our control in performing our obligations under the deposit agreement. The obligations of the depositary and our company under the deposit agreement will be limited to performance in good faith of our duties thereunder, and we will not be obligated to prosecute or defend any legal proceeding in respect of any depositary shares or preferred stock unless satisfactory indemnity is furnished. We may rely upon written advice of counsel or accountants, or upon information provided by persons presenting preferred stock for deposit, holders of depositary receipts or other persons believed to be competent and on documents believed to be genuine.

### RESIGNATION AND REMOVAL OF DEPOSITARY

The depositary may resign at any time by delivering notice to our company of its election to do so, and we may at any time remove the depositary. Any such resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of such appointment. Such successor depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank

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or trust company having its principal office in the United States and having a combined capital and surplus of at least \$100 million.

### DESCRIPTION OF WARRANTS

We may issue warrants for the purchase of debt securities, preferred stock, depositary shares or common stock. Warrants may be issued independently or together with debt securities, preferred stock, depositary shares or common stock offered by any prospectus supplement and may be attached to or separate from any such offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between our company and a bank or trust company, as warrant agent, all as set forth in the prospectus supplement relating to the particular issue of warrants. The warrant agent will act solely as an agent of our company in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any holders of warrants or beneficial owners of warrants.

Reference is made to the prospectus supplement relating to the particular issue of warrants offered thereby for the terms of and information relating to such warrants, including, where applicable:

- the designation, aggregate principal amount, currencies, denominations and terms of the series of debt securities purchasable upon exercise of warrants to purchase debt securities and the price at which such debt securities may be purchased upon such exercise;

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- the number of shares of common stock purchasable upon the exercise of warrants to purchase common stock and the price at which such shares of common stock may be purchased upon such exercise;
- the number of shares and series of preferred stock or depositary shares purchasable upon the exercise of warrants to purchase preferred stock and the price at which such shares of such series of preferred stock or depositary shares may be purchased upon such exercise;
- the designation and number of units of other securities purchasable upon the exercise of warrants to purchase other securities and the price at which such other securities may be purchased upon such exercise;
- the date on which the right to exercise such warrants will commence and the date on which such right will expire;
- United States federal income tax consequences applicable to such warrants;
- the amount of warrants outstanding as of the most recent practicable date; and
- any other terms of such warrants.

Warrants will be issued in registered form only. The exercise price for warrants will be subject to adjustment in accordance with the applicable prospectus supplement.

Each warrant will entitle the holder thereof to purchase such principal amount of debt securities or such number of shares of preferred stock, depositary shares, common stock or other securities at such exercise price as shall in each case be set forth in, or calculable from, the prospectus supplement relating to the warrants, which exercise price may be subject to adjustment upon the occurrence of certain events as set forth in such prospectus supplement. After the close of business on the expiration date, or such later date to which such expiration date may be extended by us, unexercised warrants will become void. The place or places where, and the manner in which, warrants may be exercised shall be specified in the prospectus supplement relating to such warrants.

Prior to the exercise of any warrants to purchase debt securities, preferred stock, depositary shares, common stock or other securities, holders of such warrants will not have any of the rights of holders of debt securities, preferred stock, depositary shares, common stock or other securities, as the case may be, purchasable upon such exercise, including the right to receive payments of principal of, premium, if any, or interest, if any, on the debt securities purchasable upon such exercise or to enforce covenants in the

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applicable Indenture, or to receive payments of dividends, if any, on the preferred stock, depositary shares or common stock purchasable upon such exercise, or to exercise any applicable right to vote.

### PLAN OF DISTRIBUTION

We may sell the offered securities:

- through underwriters or dealers;
- through agents;

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- directly to one or more purchasers, including existing shareholders in a rights offering; or
- through a combination of any such methods of sale.

### BY UNDERWRITERS

If underwriters are used in the sale, the offered securities will be acquired by the underwriters for their own account. The underwriters may resell the securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the securities will be subject to certain conditions. Unless indicated in the prospectus supplement, the underwriters must purchase all of the securities of the series offered by a prospectus supplement if any of the securities are purchased. Any initial public offering price and any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time.

### BY AGENTS

Offered securities may also be sold through agents designated by us. Unless indicated in the prospectus supplement, any such agent is acting on a best efforts basis for the period of its appointment.

### DIRECT SALES; RIGHTS OFFERINGS

Offered securities may also be sold directly by us. In this case, no underwriters or agents would be involved. We may also sell offered securities upon the exercise of rights, which may be issued to our security holders.

### DELAYED DELIVERY ARRANGEMENTS

We may authorize agents, underwriters or dealers to solicit offers by certain institutional investors to purchase offered securities providing for payment and delivery on a future date specified in the prospectus supplement. Institutional investors to which such offers may be made, when authorized, include commercial and savings banks, insurance companies, pension funds, investment companies, education and charitable institutions and such other institutions as may be approved by us. The obligations of any such purchasers under such delayed delivery and payment arrangements will be subject to the condition that the purchase of the offered securities will not at the time of delivery be prohibited under applicable law. The underwriters and such agents will not have any responsibility with respect to the validity or performance of such contracts.

### GENERAL INFORMATION

Underwriters, dealers and agents that participate in the distribution of offered securities may be underwriters as defined in the Securities Act, and any discounts or commissions received by them from our company and any profit on the resale of the offered securities by them may be treated as underwriting discounts and commissions under the Securities Act. Any underwriters or agents will be identified and their compensation described in a prospectus supplement.

We may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, or to contribute with respect to payments that the underwriters, dealers or agents may be required to make.



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Underwriters, dealers and agents may engage in transactions with, or perform services for, our company or our subsidiaries in the ordinary course of their businesses.

### LEGAL MATTERS

Our legal counsel, Vinson & Elkins L.L.P., Houston, Texas, will pass upon certain legal matters in connection with the offered securities. Any underwriters will be advised about other issues relating to any offering by their own legal counsel.

### EXPERTS

The financial statements and the related financial statement schedules incorporated in this prospectus by reference from our Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and has been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the periods ended March 31, 2000 and 1999 which is incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited interim financial information because those reports are not "reports" or a "part" of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

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