

ODYSSEY MARINE EXPLORATION INC
Form DEF 14A
April 15, 2011
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

ODYSSEY MARINE EXPLORATION, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

(4) Date Filed:

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5215 WEST LAUREL STREET

TAMPA, FLORIDA 33607

(813) 876-1776

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD JUNE 1, 2011

TO THE STOCKHOLDERS OF ODYSSEY MARINE EXPLORATION, INC.:

The Annual Meeting of Stockholders of Odyssey Marine Exploration, Inc., a Nevada corporation (the Company), will be held at the Wyndham Hotel Tampa, 700 North Westshore Boulevard, Tampa, Florida, 33609, on Wednesday, June 1, 2011, at 9:30 a.m., Eastern Time, and at any and all adjournments thereof, for the purpose of considering and acting upon the following matters:

1. to elect seven directors of the Corporation to serve until the next Annual Meeting of Stockholders and until their successors have been duly elected and qualified;
2. to hold a non-binding advisory vote on executive compensation;
3. to hold a non-binding advisory vote to determine the frequency of future advisory votes on executive compensation;
4. to ratify the appointment of Ferlita, Walsh & Gonzalez, P.A. as our independent registered public accounting firm;
5. to approve an amendment to Odyssey's Articles of Incorporation to increase the number of authorized shares of common stock of the Company from 100,000,000 to 150,000,000; and
6. to conduct such other business as may properly come before the meeting or at any adjournment or adjournments thereof.

Only holders of record of the Company's common stock and Series G preferred stock at the close of business on April 4, 2011, will be entitled to notice of, and to vote at, the meeting or at any adjournment or adjournments thereof. The holders of the Series G preferred stock will be entitled to vote on an as-converted basis. The proxies are being solicited by the Board of Directors of the Company.

Whether or not you expect to attend the annual meeting of stockholders in person, we urge you to vote as soon as possible. As an alternative to voting at the annual meeting in person, you may vote via the Internet, by telephone or, if you receive a paper proxy card in the mail, by mailing the completed proxy card in the postage-paid envelope enclosed with it. For detailed information on how you can vote, refer to the section entitled *How do I vote?* in the Proxy Statement. The giving of a proxy will not affect your right to vote in person if you attend the meeting. You may change your proxy vote automatically by voting in person at the annual meeting.

BY ORDER OF THE BOARD OF DIRECTORS

GREGORY P. STEMM

Chief Executive Officer and Board Member

April 15, 2011

IMPORTANT NOTICE REGARDING AVAILABILITY OF PROXY MATERIALS

The Notice and Proxy Statement and Annual Report on Form 10-K are available at www.proxyvote.com.

In accordance with rules promulgated by the Securities and Exchange Commission, we have elected to use the Internet as our primary means of furnishing proxy materials to our stockholders. Therefore, most stockholders will not receive paper copies of our proxy materials. Instead, we will send these stockholders a Notice of Internet Availability of Proxy Materials with instructions for accessing the proxy materials and voting by use of the Internet. The Notice of Internet Availability of Proxy Materials also informs stockholders how to get paper copies of our proxy materials if they wish to do so. We believe this method of proxy distribution will make the proxy distribution process more efficient, less costly, and will contribute to the conservation of natural resources. If you previously elected to receive our proxy materials electronically, these materials will continue to be sent via e-mail unless you change your election.

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ODYSSEY MARINE EXPLORATION, INC.

5215 WEST LAUREL STREET

TAMPA, FLORIDA 33607

(813) 876-1776

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD JUNE 1, 2011

ABOUT THE MEETING

This Proxy Statement is being made available to stockholders beginning April 15, 2011.

Who is entitled to vote at the meeting?

All voting rights are vested in the holders of our common stock and our Series G preferred stock. Each share of our common stock is entitled to one vote on all matters to be voted upon at the meeting. Each share of Series G preferred stock is entitled to one vote for each share of common stock into which it could be converted. Each share of Series G preferred stock is convertible into 100,000 shares of common stock. Only stockholders of record at the close of business on April 4, 2011, are entitled to notice of and to vote at the meeting or any adjournment thereof. On April 4, 2011, a total of 70,587,773 shares are eligible to vote, consisting of 67,227,773 shares of common stock and 3,360,000 shares on an as-converted basis. Cumulative voting in the election of directors is not permitted, which means that each stockholder may vote no more than the number of shares he or she owns for a single candidate.

How many shares must be present to establish a quorum?

A majority of the shares eligible to vote represented in person or by proxy shall constitute a quorum at the meeting. Shares represented by a properly signed and returned proxy will be treated as present at the annual meeting for purposes of determining a quorum, without regard to whether the proxy is marked as casting a vote. Likewise, stock represented by broker non-votes will be treated as present for purposes of determining a quorum. Broker non-votes are proxies with respect to shares held in record name by brokers or nominees, as to which instructions have not been received from the beneficial owners or persons entitled to vote and the broker or nominee does not have discretionary voting power under applicable national securities exchange rules or the instrument under which it serves to vote such shares on that matter. Your broker will not have discretion to vote on non-routine matters absent direction from you, including the election of directors, the advisory vote on our executive compensation, the advisory vote on the frequency of the advisory executive compensation vote and the amendment to our articles of incorporation to increase the number of authorized shares of common stock from 100,000,000 to 150,000,000. If you hold your shares through a broker, your broker is permitted to vote your shares on routine matters, which includes the ratification of the Independent Registered Public Accounting Firm, even if the broker does not receive instructions from you.

How do I vote?

Stockholders of Record: Shares Registered in Your Name

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As an alternative to voting in person at the annual meeting, stockholders whose shares are registered in their own names may vote without attending the annual meeting by telephone, over the Internet, or by mail as described below:

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time on May 31, 2011. Have your proxy card in hand with the 12 Digit Control Number available when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

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VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, New York 11717.

VOTE BY TELEPHONE

You can transmit your voting instructions up until 11:59 p.m. Eastern Time on May 31, 2011, by telephone following the instructions on your Proxy Card.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our Company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

Beneficial Owners: Shares Held in Street Name

If your shares are registered in the name of a bank or brokerage firm (your record holder), you will receive a notice regarding availability of proxy materials that will tell you how to access our proxy materials and provide voting instructions to your broker over the Internet. It will also tell you how to request a paper or e-mail copy of our proxy materials.

Note to Beneficial Owners: Under applicable laws, a bank, broker or nominee has the discretion to vote on routine matters, which includes the ratification of the appointment of an independent registered public accounting firm. SEC rule changes no longer permit a bank, broker or nominee to vote on behalf of beneficial owners with respect to non-routine matters such as the uncontested elections of directors, the advisory vote on our executive compensation, the advisory vote on the frequency of the advisory executive compensation vote and the proposed amendment to the articles of incorporation. If you hold your shares in street name and do not provide voting instructions to your broker, your shares will not be voted on any proposals on which your broker does not have discretionary authority to vote. If you hold shares through a bank or brokerage firm and wish to be able to vote in person at the annual meeting, you must obtain a *legal proxy* from your brokerage firm, bank or other holder of record and present it to the inspector of elections with your ballot. Stockholders who have elected to receive the 2011 proxy materials electronically will receive an e-mail on or about April 15, 2011 and no later than April 19, 2011, with information on how to access stockholder information and instructions for voting.

TO REQUEST PAPER COPIES OF PROXY MATERIALS: If you want to receive a paper or e-mail copy of these documents, you must request one. There is no charge to you for requesting or receiving a copy. Please make your request for a copy on or before May 18, 2011, to facilitate timely delivery. Please choose one of the following methods to make your request: (1) BY INTERNET: www.proxyvote.com; (2) BY TELEPHONE: 1-800-579-1639; (3) BY E-MAIL: sendmaterial@proxyvote.com. **NOTE: Include the 12 Digit Control Number located on the Notice in the subject line of your e-mail.**

Can I change my vote after submitting a Proxy?

You may revoke or change a previously delivered proxy at any time before the annual meeting by delivering another proxy with a later date, by voting again via the Internet or by telephone, or by delivering written notice of revocation of your proxy to Odyssey's corporate secretary at our principal executive offices before the beginning of the annual meeting. You may also revoke your proxy by attending the annual meeting and voting in person, although attendance at the annual meeting will not, in and of itself, revoke a valid proxy that was previously delivered. If you hold shares through a bank or brokerage firm, you must contact that bank or brokerage firm to revoke any prior voting instructions. You may also vote in person at the annual meeting if you obtain a *legal proxy* as described above.

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Regardless of how your shares are held and whether or not you plan to attend the annual meeting, we encourage you to vote by proxy to ensure that your vote is counted. Please note that you may still attend the annual meeting and vote in person even if you have already voted by proxy.

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Information about attending the Annual Meeting.

If you plan to attend the meeting, please bring the following:

1. Proper identification containing recent photograph such as a driver's license or passport. We may inspect your bags or packages, and we may require you to check them, and, in some cases, we may not permit you to enter the meeting with them. Video and audio recording devices will not be permitted at the Annual Meeting.

2. *Acceptable Proof of Ownership* if your shares are held in *Street Name*.
Street Name means your shares are held of record by brokers, banks or other nominees.

Acceptable Proof of Ownership is (a) a letter from your broker stating that you owned Odyssey Marine Exploration, Inc. stock on the record date or (b) an account statement showing that you owned Odyssey Marine Exploration, Inc. stock on the record date.

What is the voting requirement to approve each of the proposals?

Proposal No. 1 (*election of directors*) is a non-routine matter. The election of directors requires the affirmative vote of a plurality of the votes cast by shares represented in person or by proxy and entitled to vote for the election of directors. This means that the nominees receiving the most votes from those eligible to vote will be elected. You may vote **FOR** all of the nominees or your vote may be **WITHHELD** with respect to one or more of the nominees. Accordingly, votes withheld as to the election of directors will not affect the election of the candidates receiving the plurality of votes.

Proposal No. 2 (*non-binding advisory vote on executive compensation - Say-on-Pay*) is a non-routine matter. The affirmative vote of the holders of a majority of the stockholders' shares present in person or represented by proxy at the meeting and entitled to vote is required. Because your vote is advisory, it will not be binding on the Board or the Company; however, the Board will review the voting results and take them into consideration when making future decisions regarding executive compensation.

Proposal No. 3 (*non-binding advisory vote to determine the frequency of future advisory votes on executive compensation*) is a non-routine matter. The option of one, two or three years that receives the greatest number of votes will be the frequency that stockholders approve.

Proposal No. 4 (*ratification of independent registered public accounting firm*) is a routine matter. The affirmative vote of the holders of a majority of the stockholders' shares present in person or represented by proxy at the meeting and entitled to vote is required. Broker discretionary voting is allowed.

Proposal No. 5 (*amendment to the articles of incorporation to increase the authorized common stock*) is a non-routine matter. The affirmative vote of the holders of a majority of the stockholders' shares present in person or represented by proxy at the meeting and entitled to vote is required.

Proposals No. 1, 2, 3 and 5 are non-routine matters, and, absent instructions from you, the bank, broker or other nominee may not vote your shares at all and your shares will be considered broker non-votes, which will have no effect on the outcome of the proposal. Proposal No. 4 is a routine matter, and your bank, broker or other nominee may vote your shares at its discretion.

Other business as may properly come before the meeting or at any adjournment or adjournments thereof. An affirmative vote of the majority of the shares represented and entitled to vote at the meeting, assuming a quorum is present, is necessary for the approval of other business. For other business as may properly come before the meeting or at any adjournment or adjournments thereof, broker non-votes are not included in the vote totals. If you grant a proxy, the persons named as proxy-holders will have the discretion to vote your shares on any additional business properly presented for a vote at the meeting. We are not aware of any other business to be acted upon at the meeting.

Table of Contents***Where can I find the voting results of the Annual Meeting?***

The preliminary voting results will be announced at the Annual Meeting. The final voting results will be tallied by the Inspector of Elections and will be subsequently published by us by the filing of a Form 8-K with the SEC within four business days of the Annual Meeting.

Proposal 1 - ELECTION OF DIRECTORS

The Board of Directors currently consists of seven members. The Board of Directors recommends the election as directors of the seven nominees listed below, to hold office until the next Annual Meeting of Stockholders and until their successors are elected and qualified or until their earlier death, resignation or removal. Each of the seven current members of the present Board of Directors has been nominated for re-election. The persons named as Proxies in the form of Proxy will vote the shares represented by all valid returned proxies in accordance with the specifications of the stockholders returning such proxies. If at the time of the meeting any of the nominees named below should be unable to serve, which event is not expected to occur, the discretionary authority provided in the Proxy will be exercised to vote for such substitute nominee or nominees, if any, as shall be designated by the Board of Directors. **Please note that brokers may not vote on the election of directors in the absence of specific client instruction. Those who hold shares in a brokerage account are encouraged to provide voting instructions to their broker.**

The following table sets forth the name and age of each nominee for director, indicating all positions and offices with the Company presently held, the period during which each person has served as a director, any additional directorships with public companies, and the key characteristics of each member that are critical to effective board membership.

Name	Age	Positions and Offices Held and Term as a Director	Other Directorships of Public Companies
David J. Bederman	49	Director since January 2006; Chairman since June 2010	None

Key Qualifications: The Board recognizes that Dr. Bederman is a distinguished professor of international and maritime law at Emory University School of Law, with notable expertise in salvage law, shipwreck policy, maritime law and law of the sea, as well as a recognized appellate advocate. His strong understanding of admiralty and maritime law, international law and domestic law both local and federal are unique qualifications that bring a wealth of knowledge and experience to the Board, as a team, and the Company, as a whole, especially in his leadership role as Chairman.

Bradford B. Baker	51	Director since January 2008	Dobi Medical International, Inc.: 2003-2007
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Key Qualifications: The Board recognizes that Mr. Baker, as past chief executive officer of a public company, has extensive experience as a senior executive with emphasis in management, operations and finance. His financial expertise and extensive not-for-profit board experience led to his designation as our audit committee financial expert. In the past, Mr. Baker served three public companies as a board member and as chairman on both Audit and Compensation Committees. He received a presidential appointment, and through his work at the White House, he developed an extensive understanding of government processes and international relations. Mr. Baker's executive leadership roles, board experience and government background provide the Board with insight into best practices of public companies.

Max H. Cohen	45	Director since March 2011	None
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Key Qualifications: The Board recognizes Mr. Cohen as an innovative business leader with 20 years of experience as a conscientious and mission-focused entrepreneur. He brings a wide range of executive management skills, organization development, international relations, strategy and multi-sector experience and general business acumen to the Board. Based on these experiences, qualifications and skills, the Board feels Mr. Cohen will contribute to and enhance the overall functioning of the Board.

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Name	Age	Positions and Offices Held	Other Directorships
		and Term as a Director	of Public Companies
Mark D. Gordon	50	President and Chief Operating Officer; Director since January 2008	None

Key Qualifications: The Board recognizes that Mr. Gordon's innovative entrepreneurship and strategic planning skills gained in former CEO and president positions provide cutting-edge solutions to drive business growth and turn visionary strategies into success. He is experienced in trouble shooting with the talent to develop creative solutions to business challenges including capital raising and investor relations and is skilled in communications forging lasting alliances across industry and organizational levels. His management, strategic planning and development expertise are well suited skills that allow him to understand the complexities of our business and bring a unique direction to the Board's strategic discussions.

David J. Saul	71	Director since October 2001	None
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Key Qualifications: The Board recognizes that Dr. Saul's distinguished career as Bermuda's Premier and Minister of Finance brings to the Board and the Company valuable and extensive international board and leadership experience. His past senior posts with Fidelity Investments and his ongoing director involvement with Fidelity's main international board contribute a wealth of knowledge and insight regarding government, politics, business, investments, strategy and finance.

Jon D. Sawyer	65	Director since November 2009	None
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Key Qualifications: The Board recognizes that Mr. Sawyer's expertise on securities law, including in-depth experience with the Securities and Exchange Commission, and extensive knowledge of the management of public companies on various issues such as financing, corporate governance, disclosure issues and mergers and acquisitions, provide the Board valuable insights regarding governance, government processes and law and are valuable assets to the Board and the Company.

Gregory P. Stemm	53	Chief Executive Officer; Director since May 1994	None
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Key Qualifications: The Board recognizes that Mr. Stemm has extensive leadership experience as Chief Executive Officer as well as from his past positions in the Company and on the Board. This experience has provided him with an in-depth knowledge of the Company's business, operations, strategy and management team, as well as his historical perspective on the Company's origins and evolution. Distinguished as a pioneer in deep-ocean shipwreck exploration with extensive experience in all phases of shipwreck search and recovery, he plays a primary role in the development of new technologies and private sector standards for underwater cultural heritage resource management. He is a published author of many papers and articles on shipwrecks and underwater exploration and is directly connected to the discovery of hundreds of shipwrecks throughout the world. In addition, his vast experience with international communities and governments regarding issues and opportunities facing our Company are attributes desirable to the Board.

There are no family relationships between any of the directors or the executive officers of the Company.

THE ELECTION OF DIRECTORS IS A NON-ROUTINE MATTER, SO YOUR BROKER MAY NOT VOTE

YOUR SHARES ON THIS PROPOSAL WITHOUT RECEIVING INSTRUCTIONS FROM YOU.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE **FOR** THE NOMINEES NAMED ABOVE.

DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

The following sets forth biographical information as to the business experience of each executive officer and director of the Company for at least the last five years.

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Gregory P. Stemm has served as Chief Executive Officer since January 2008 and served as Chairman from 2008 to 2010. In his present capacity, Mr. Stemm is responsible for strategic planning and general execution of our business plan. He previously served as Co-Chairman from 2006 to 2008 and as a Director and Executive Vice President since May 1994. During that time he was responsible for research and operations on all shipwreck projects. Mr. Stemm has extensive experience in managing shipwreck exploration operations since entering the field in 1986, including deep-ocean search and robotic archaeological excavation on a number of projects. A panelist at the 1998 Law of the Sea Institute, Mr. Stemm was appointed for four consecutive terms to the United States delegation to the United Nations Educational, Scientific and Cultural Organization (UNESCO) expert meeting to negotiate the Draft Convention for the Protection of Underwater Cultural Heritage. He was selected as a Fellow of the Explorers Club, and was the founder and past-president of the Professional Shipwreck Explorers Association (ProSEA). Mr. Stemm served as a founding director (1986-93) and international president (1992-93) of YEO (Young Entrepreneurs Organization) and was also a founding member of the World Entrepreneurs Organization, where he served on the International Board of Directors (1997-98).

Mark D. Gordon has served as our President and Chief Operating Officer since October 2007 and as a Director since January 2008. He was named Executive Vice President of Sales in January 2007, in which capacity he was responsible for the Attraction, Business Development and Retail Merchandising operations for the Company. He joined the Company in June 2005 as Director of Business Development. Prior to joining Odyssey, Mr. Gordon started, owned, and managed four different entrepreneurial ventures from 1987 to 2003, including Synergy Networks, which he founded in 1993 and served as Chief Executive Officer until September of 2003, when the company was sold to the Rockefeller Group. He continued to serve as President of Rockefeller Group Technology Services Mid Atlantic (RGTSMA), a member of Rockefeller Group International, until December 2004. Mr. Gordon received a B.S. degree in Business Administration in 1982 and an MBA degree in Finance in 1983 from the American University. As a shipwreck diver with the National Diving Center in Washington, DC, he has conducted hundreds of dives and explorations on shipwrecks and was the first person to discover and dive on the wreck of the S.S. *Proteus*, a ship that had been missing since the early 1900s.

Bradford B. Baker re-joined the Company's Board of Directors in January 2008. Mr. Baker is currently the Chairman of the Audit Committee since 2010 and served as the Chairman positions of the Compensation Committee and Governance and Nominating Committee in 2009. He previously served on our Board of Directors from February 1997 to December 2000. Mr. Baker currently serves as Chief Executive Officer of Nexus Biometrics, Inc., a leading fingerprint biometric company he founded in 2004. He is also President of Bramar Developers, Inc., a real estate development company that he founded in 1998. He was appointed a White House Fellow by President Ronald Reagan in 1988, was past Secretary of the Resolution Trust Corporation Oversight Board (RTC), and served as Executive Director of the Florida Housing Finance Corporation. He previously held senior executive positions with Comcast Cable and Sterling Financial, Inc., and served as a Director and as Chairman of the Audit Committee of Dobi Medical International, Inc. from 2003 through 2007. He holds a B.S. degree in Business Administration from Nova University.

Dr. David J. Bederman joined the Board of Directors in January 2006, became Lead Director in January 2008 and Chairman of the Board in June 2010. He was a member on all the standing committees and chaired the Governance Committee May 2008 to June 2010 and the Compensation Committee October 2006 to May 2008 and June 2010 to March 2011. He is a professor of law at Emory University in Atlanta, Georgia. Since 1991, he has taught international law, admiralty, international institutions, law of international common spaces, legal methods, customary law, as well as seminars on international environmental law and foreign relations power. In addition, he serves as an advisor to the Emory International Law Review. Dr. Bederman also leads a private practice and has provided legal counsel to Odyssey since 1998. In private practice, he has been involved with many cases involving maritime law and shipwreck disputes, and has represented clients in federal Courts of Appeal, and the U.S. Supreme Court. Prior to joining Emory, Dr. Bederman practiced law in Washington, D.C., with the firm of Covington & Burling and worked as a legal advisor at the Iran/United States Claims Tribunal at The Hague. Professor Bederman has published extensively on diverse legal topics, including legal history, constitutional law, and international legal theory and practice. In addition to a number of books and dozens of articles and essays, his major publications include: *Globalization and International Law* (2008), *The Spirit of International Law* (2002), *International Law in Antiquity* (2001), and *International Law Frameworks* (2001). He has lectured widely and was a visiting professor at New York University and the University of Virginia and was a Fulbright Distinguished Chair at Osgoode Hall in Toronto.

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Max H. Cohen joined the Board of Directors in March 2011. An entrepreneur, Mr. Cohen founded and has been Managing Director of AceMax Capital Enterprises LLC since 1996. Since 1992 he has founded, operated, built and sold companies across several industries including web-based technologies, online financial services, product development, wine production, apparel and merchandise, international distribution and real estate development. Mr. Cohen is well connected to the community as past President of Entrepreneur's Organization Arizona Chapter and a former member of the International Board of Directors. He was also an original member of the EO-Ewing Marion Kauffman Foundation Advisory Committee, and he sits on other charitable organization committees, as well. Mr. Cohen is a graduate of the University of Alberta, Canada.

Dr. David J. Saul, who is retired, has served as a member of the Company's Board of Directors since October 2001. Dr. Saul was Bermuda's Minister of Finance from 1989 to 1995, and Premier of Bermuda from 1995 to 1997. In addition to his public service background, Dr. Saul held two senior posts with Fidelity Investments, from 1984 through 1995, as the President of Fidelity Bermuda and Executive Vice President of Fidelity International. He retired from the firm in 1999 but remains a Director of Fidelity's main international Board, and a Director of some 40 other Fidelity companies around the world - including the U.K., Bermuda, Jersey, Tokyo, Hong Kong, Cayman Islands, Luxembourg and Taiwan. Dr. Saul's professional activities include two stints as a Director of the Bermuda Monetary Authority (Bermuda's Central Bank), and until 2009 as a Director of Lombard Odier Darier Trust Ltd. (Bermuda), a subsidiary of the Swiss Bank, and a Director of the London Steam Ship Owners' Mutual Insurance Association (Bermuda) Ltd., at which time he retired from these two boards. A keen oceanographer with a passion for shipwrecks and the sea, he was a founding Trustee of the Bermuda Underwater Exploration Institute and a founding Director of the Professional Shipwreck Explorers Association.

Jon D. Sawyer joined the Board of Directors in November 2009, and has served as chairman of the Governance and Nominating Committee since November 2009 and the Compensation Committee since March 2011. He is a practicing securities attorney with the firm of Jin, Schauer & Saad, LLC in Denver, Colorado, where he has worked since March 2009. He started his securities law career working for the Denver Regional Office of the Securities and Exchange Commission as a trial attorney for three years from 1976 to 1979. He worked the next 27 years practicing securities law in private practice, and during this time he served as securities counsel for Odyssey from 1997 to 2006. He was a partner with the Denver law firm of Krys Boyle, P.C. from November 1996 until June 2007. From June 2007 until March 2009 he was a co-owner and worked full time in various capacities including President and general counsel for Professional Recovery Systems, LLC, a privately held financial services firm engaged in the business of purchasing, selling and collecting portfolios of consumer charged-off debt.

Laura L. Barton (age 49) was appointed Vice President of Communications in November 2007. Ms. Barton directs marketing and corporate communications activities and media content development for the Company. Previously, Ms. Barton served as Director of Corporate Communications and Marketing for Odyssey since July 2003. From June 1994 to July 2003, she was President of LLB Communications, a marketing and communications consulting company that served a variety of broadcast networks, stations and distributors, and Odyssey. Prior to founding LLB Communications, Ms. Barton served in various marketing, promotions, publicity and creative services positions in local and network television since 1983. Ms. Barton received a B.A. degree in Mass Communication from the University of South Florida.

Michael J. Holmes (age 61) has served as Chief Financial Officer since May 2004. He joined Odyssey as Controller in March 2004. Mr. Holmes has served in a variety of subsidiary financial management positions with Anheuser-Busch Companies, Inc., including Vice President Finance, Sea World Orlando from February 1998 to May 2003; Vice President Finance, Busch Gardens Tampa Bay; Corporate Controller, Metal Container Corp. in St. Louis; Vice Finance and Chief Financial Officer, Exploration Cruise Lines in Seattle, Washington; and Director Internal Audit Services for Anheuser-Busch in St. Louis. Mr. Holmes received his undergraduate degree from the University of Missouri and his MBA degree from Crummer Graduate School of Business at Rollins College in Orlando. Mr. Holmes has also served as an adjunct professor of Accounting at the Rosen School of Hospitality Management, University of Central Florida in Orlando from August 2003 to March 2004. He has been very active in community leadership positions, including past board membership on the Orlando Regional Chamber of Commerce, Crummer Graduate School of Business Alumni Board, the ETC of Central Florida (International Drive Transportation Group) and Junior Achievement of Tampa Bay. He is a graduate of Leadership Tampa and is currently on the Board of the Tampa Chapter of FEI (Financial Executives International).

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David A. Morris (age 60) has served as Secretary of the Company since August 1997, and previously held the combined position of Secretary-Treasurer from 1997 to 2010. Mr. Morris graduated with a B.S. degree in Mechanical Engineering from Michigan State University in 1974. In his capacity with the Company, Mr. Morris coordinates administrative business activities, assists with financial reporting and participates in overall corporate planning and governance.

Jay A. Nudi (age 47) has served as Treasurer since June 2010 and Principal Accounting Officer of the Company since January 2006. Mr. Nudi has been with the Company since May 2005 as Corporate Controller and has over 20 years of accounting and management experience. Mr. Nudi is a certified public accountant. Prior to joining the Company, Mr. Nudi served as Controller for The Axis Group in Atlanta where he began in 2003. The Axis Group provides logistic solutions and services to the automotive industry. From 2001 to 2003, he served as a consultant to various companies on specific value-added tasks. From 2000 to 2001, Mr. Nudi was Director of Financial Reporting for OneSource, Inc., a leading provider of facilities management. From 1997 to 2000, he served as Corporate Controller for Acsys, Inc., a national recruiting firm that was publicly held until it was acquired in 2000. Mr. Nudi received a B.S. degree in Accounting from Pennsylvania State University in 1985.

CODE OF ETHICS

The Company has adopted a *Code of Ethics* that applies to, among others, its principal executive, financial and accounting officers, and other persons, if any, performing similar functions. Our *Code of Ethics* can be obtained from the Company, without charge, by written request to the Chief Financial Officer at the Company's address and is posted on the Company's Internet web site (www.shipwreck.net).

CORPORATE GOVERNANCE

Board of Directors and Executive Officers

The Board of Directors held nine scheduled meetings and four executive sessions of independent directors during the fiscal year ended December 31, 2010. Each director attended all of the meetings held by the Board of Directors and its committees during the time each such Director was a member of the Board or of any committee of the Board.

Directors standing for election are expected to attend the Annual Meeting of Stockholders. All of the six directors standing for election at the 2010 Annual Meeting of Stockholders attended the meeting.

Executive officers hold office until the next annual meeting of directors of the Company, which currently is scheduled for June 1, 2011. There are no known arrangements or understandings between any director or executive officer and any other person pursuant to which any of the above-named executive officers or directors was selected as an officer or director of the Company. No event occurred during the past ten years which is material to an evaluation of the ability or integrity of any director or person nominated to be director or executive officer of the Company.

Board Leadership Structure

Chairman/Chief Executive Officer

Our Board does not have a policy regarding whether the roles of Chairman and Chief Executive Officer should be separate because our Board believes it is in the best interests of our Company to retain the flexibility to have a separate Chairman and Chief Executive Officer or, if circumstances dictate, to combine the roles of Chairman and Chief Executive Officer.

Our current leadership structure is comprised of an independent director serving as Chairman of the Board (Dr. David Bederman), a Company employee serving as Chief Executive Officer (Greg Stemm) and strong, active independent directors serving on our Board committees. We believe that this structure is appropriate for the Company because it allows one person, our CEO, to concentrate on the day-to-day operations of the Company and to speak for and lead the Company, while providing for effective oversight by an independent Chairman and Board. The Chairman is responsible for the strategic operations of the Board and sets the agenda for and presides over Board meetings. For a company like Odyssey, that is focused on shipwreck exploration and archaeological recovery operations on deep-ocean shipwrecks throughout the world, we believe our CEO is in the best position to lead our management team and to respond to the current pressures and needs of a company at the stage of growth and development of Odyssey. Our Chairman, on the other hand, is in the best position to focus the Board's attention on the broader issues of corporate governance. We believe that splitting the roles of Chairman and CEO minimizes any potential conflicts that may result from combining the roles of CEO and Chairman, and maximizes the effectiveness of our management and governance processes to the benefit of our stockholders.

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Executive Sessions

Our independent directors on the Board of Directors meet regularly in executive session without employee-directors or other executive officers present. The Chairman of the Board presides at these meetings. In 2010, the independent directors met four times.

Annual Board Self-Assessments

To ensure that our Board of Directors and its committees are performing effectively and in the best interests of the Company and its stockholders, the Board performs an annual assessment of itself and its committees. The self-evaluation was completed in January 2011, and the assessments were very helpful in evaluating the overall effectiveness of the Board. The make-up and performance of the Board and its committees showed a high level of competence and dedication, which indicated that the Board as a whole works very well together and the members are responsive to any request for input and guidance.

Board Diversity

The Company understands and appreciates that a Board of Directors consisting of individuals with diverse profiles, experiences, skills, and attributes contributes positively to corporate governance and enhancing shareholder value. While the Company has no express diversity policy in the identification of nominees for director, this is implicit in the Charter and Guidelines of the Governance and Nominating Committee.

Service on Other Boards of Directors

Our Board of Directors believes that each director of the Company should be allowed to sit on the board of not more than two, public for-profit companies, without the prior approval of the Board of Directors. It is the position of the Board that approval of a director to sit on more than two boards simultaneously while sitting on Odyssey's Board will be limited to special circumstances, provided that the arrangement will not interfere with the director carrying out the duties to the Board of the Company. None of our Directors currently sit on the board of more than two public for-profit companies.

Independence of Board Committee Members

The Company has five directors, Bradford B. Baker, David J. Bederman, Max H. Cohen, David J. Saul and Jon D. Sawyer, who are independent directors as defined in Section 4200 of the listing standards of the NASDAQ Stock Market. The Board of Directors affirmatively determined on March 7, 2011, that each of the five independent directors continues to meet the standards for independence established by NASDAQ. Dr. Bederman, however, does not meet the additional independence standards for service on the Audit Committee due to an arrangement whereby he has been compensated by the Company for review and counsel on our case filings and other admiralty and international issues since January 2008.

Dr. Bederman is a leading international admiralty attorney. In private practice, he has been involved with many cases involving the law of the sea, maritime law and shipwreck disputes, and has represented clients in the federal appellate courts, including the U.S. Supreme Court. Dr. Bederman, while serving on our Board, has taken an active role in assessing our legal strategies in the Black Swan case, now before a U.S. Court of Appeals, and in other situations requiring an in-depth analysis of admiralty and international law.

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In recognition of Dr. Bederman's expertise and the time and effort he was dedicating beyond that normally expected of an outside director, a recommendation was made by our executive committee and adopted by our Board that Dr. Bederman be compensated at some level for the additional service. Our Board thoroughly reviewed the rules of NASDAQ and set an amount of compensation that would allow Dr. Bederman to serve on the governance and nominating and compensation committees of the Board as an independent director. Subsequently, we have added one independent director to our Board, and Dr. Bederman no longer serves on any of those committees.

Risk Oversight

Risk assessment and oversight is a key function of the Company's Board of Directors. In plenary meetings of the Board, risk assessment and oversight issues are a frequent issue of discussion and action. Because of its significance, the task of risk assessment and oversight is operationally shared by the Audit Committee and Governance and Nominating Committee. Because of the small size of the Company's Board and its current operating practices, there is no separate Board committee for compliance or risk oversight.

In 2010, the Company performed an enterprise risk management assessment and shared the results with the Board of Directors and the executive committee. The survey results prioritized the risk elements in terms of their likelihood of occurrence and the potential impact on the organization. We do not believe the results included any surprises; however, management is in the process of evaluating the results to determine what, if any, mitigation efforts are necessary. The risk assessment survey concluded that the Company's incentive compensation plans *are not* structured toward performance activities which would encourage risk-oriented activities by officers and key employees.

Committees of the Board

The standing committees of our Board of Directors are the Audit Committee, Compensation Committee and the Governance and Nominating Committee. The table below provides current membership for each of these committees.

Director	Audit Committee	Compensation Committee	Governance and Nominating Committee
Bradford B. Baker (*)	X (C)	X	X
Max H. Cohen	X	X	X
David J. Saul	X	X	X
Jon D. Sawyer	X	X(C)	X (C)
Number of meetings in 2010	6	5	4

(C) Indicates Chairperson

(X) Indicates Member

(*) Indicates Audit Committee Financial Expert

Governance and Nominating Committee

The Company initially established a Governance Committee in May 2004. The *Governance and Nominating Charter and Guidelines* was amended and restated on March 7, 2008, and was further amended by the Board on March 4, 2010, to comply with new requirements mandated by the Securities and Exchange Commission (the SEC) effective as of February 28, 2010. A copy of the *Governance and Nominating Committee Charter and Guidelines* is available on our web site at www.shipwreck.net.

The Governance and Nominating Committee presently consists of Jon D. Sawyer, Chairman, Bradford B. Baker, Max H. Cohen and David J. Saul. The purpose of the committee is to provide assistance to the Board of Directors in fulfilling its responsibility with respect to oversight of the appropriate and effective governance of the Company including (i) identification and recommendation of qualified candidates for election to its Board of Directors and its committees; (ii) development and recommendation of appropriate corporate governance guidelines for the Company; (iii) recommendation of appropriate policies and procedures to ensure the effective functioning of the Board of Directors; (iv) recommendations regarding the appointment of corporate officers and the adoption of appropriate processes to ensure management succession and development plans for the principal officers of the Company and its key subsidiaries; and (v) recommendations regarding proposals submitted by stockholders of the Company. During the fiscal year ended December 31, 2010, the committee held four meetings.

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The nomination process for incumbent members of the Board consists of an annual review by the committee in which the committee reviews each member's (i) ability and willingness to continue service on the Board; (ii) past performance as a member of the Board; and (iii) continued Board eligibility and independence. In the event that a director vacancy arises, the committee shall seek and identify a qualified director nominee to be recommended to the Board for either appointment by the Board to serve the remainder of the term of the director position that is vacant or election at the stockholders' annual meeting. A director nominee shall meet the director qualifications as determined by the Board from time to time, including that the director nominee possesses personal and professional integrity, has good business judgment, relevant experience and skills and will be an effective director in conjunction with the full Board in collectively serving the long-term interests of the Company's stockholders. The committee uses a *Director Nomination Form* and *Corporate Director Questionnaire* to assess the background and qualification of prospective candidates.

A candidate may be nominated for appointment or election to the Board by the committee or by a stockholder who has continuously held for at least one year by the date it submits the proposal no less than 1% of the securities entitled to be voted at the meeting. Stockholders who wish to recommend persons to the committee for the 2012 Annual Meeting of Stockholders should submit a letter addressed to the Chairman of the Governance and Nominating Committee no later than December 20, 2011, that sets forth the name, age, and address of the person recommended for nomination; the principal occupation or employment of the person recommended for nomination; a statement that the person is willing to be nominated and will serve if elected; and a statement as to why the stockholder believes that the person should be considered for nomination for election to the Board of Directors and how the person meets the criteria to be considered by the committee described above.

In addition to fulfilling its responsibility with respect to oversight of the appropriate and effective governance of the Company during the 2010 meetings, the Committee held discussions of risk assessment and manage