

Great Lakes Dredge & Dock CORP
Form DEF 14A
April 06, 2009

Table of Contents

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (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

Great Lakes Dredge & Dock Corporation

(Name of Registrant as Specified In Its Charter)

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

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
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 - (1) Amount Previously Paid:
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 - (3) Filing Party:
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-

Table of Contents

Great Lakes Dredge & Dock Corporation
2122 York Road
Oak Brook, Illinois 60523
(630) 574-3000

April 6, 2009

Dear Stockholders:

You are cordially invited to attend the 2009 Annual Meeting of Stockholders of Great Lakes Dredge & Dock Corporation, to be held on Wednesday, May 6, 2009, beginning at 10:00 A.M. Central Daylight Time at the Renaissance Hotel, 2100 Spring Road, Oak Brook, Illinois 60523.

Information about the meeting and the various matters on which the stockholders will vote is described in the Notice of Meeting and Proxy Statement included with this letter. Also included is a proxy card and postage-paid return envelope. Please sign, date and mail the enclosed proxy card in the return envelope provided as promptly as possible, whether or not you plan to attend the meeting. Finally, a copy of our Annual Report to Stockholders for the year ended December 31, 2008 is also enclosed for your review.

I look forward to greeting you personally at the meeting.

Sincerely,

Douglas B. Mackie
President and Chief Executive Officer

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

MAY 6, 2009

TO THE STOCKHOLDERS OF GREAT LAKES DREDGE & DOCK CORPORATION:

Notice is hereby given that the Annual Meeting of Stockholders of Great Lakes Dredge & Dock Corporation will be held on Wednesday, May 6, 2009, beginning at 10:00 A.M. Central Daylight Time at the Renaissance Hotel, 2100 Spring Road, Oak Brook, Illinois 60523 for the following purposes:

1. To elect as directors the three nominees named in the attached proxy statement, each to serve for a three-year term or until their respective successor is elected and qualified;
2. To ratify Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009; and
3. To transact such other business as may properly come before the meeting or any adjournments of the Annual Meeting.

Only holders of record of common stock as of the close of business on March 24, 2009 are entitled to notice of and to vote at the Annual Meeting and any adjournments of the Annual Meeting.

In accordance with Delaware law, a list of the holders of common stock entitled to vote at the 2009 Annual Meeting will be available for examination by any stockholder for at least 10 days prior to the Annual Meeting for any purpose germane to the Annual Meeting. The list may be reviewed during ordinary business hours at our main office, located at 2122 York Road, Oak Brook, Illinois 60523.

YOU ARE CORDIALLY INVITED TO ATTEND THE MEETING. WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE, WHICH NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES. IF YOU LATER DESIRE TO REVOKE YOUR PROXY, YOU MAY DO SO AT ANY TIME BEFORE IT IS EXERCISED.

By Order of the Board of Directors,

Deborah A. Wensel
Secretary

Oak Brook, Illinois
April 6, 2009

Table of Contents

TABLE OF CONTENTS

	Page
<u>PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS</u>	<u>1</u>
<u>INFORMATION ABOUT THE ANNUAL MEETING AND VOTING</u>	<u>1</u>
<u>PROPOSAL 1 ELECTION OF DIRECTORS</u>	<u>5</u>
<u>BOARD OF DIRECTORS AND CORPORATE GOVERNANCE</u>	<u>12</u>
<u>PROPOSAL 2 RATIFICATION OF INDEPENDENT AUDITOR</u>	<u>17</u>
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	<u>18</u>
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND</u>	<u>19</u>
<u>MANAGEMENT</u>	<u>22</u>
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	<u>28</u>
<u>EXECUTIVE COMPENSATION</u>	<u>37</u>
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	<u>40</u>
<u>MATTERS RELATED TO INDEPENDENT PUBLIC ACCOUNTANTS</u>	<u>42</u>
<u>MISCELLANEOUS</u>	<u>43</u>
<u>INCORPORATION BY REFERENCE</u>	<u>43</u>

Table of Contents

**Great Lakes Dredge & Dock Corporation
2122 York Road
Oak Brook, Illinois 60523
(630) 574-3000**

**PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS**

To Be Held On May 6, 2009

This proxy statement and accompanying proxy card were mailed on or about April 6, 2009 to all stockholders entitled to vote at the Annual Meeting.

INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

The enclosed proxy materials are being sent to you in connection with the solicitation of the enclosed proxy by the Board of Directors of Great Lakes Dredge & Dock Corporation for use at the 2009 Annual Meeting of Stockholders and at any adjournments of the meeting, sometimes referred to as the "Annual Meeting" in this proxy statement. Throughout this proxy statement when the terms "Great Lakes," the "Company," "we," "our," "ours" or "us" are used, they refer to Great Lakes Dredge & Dock Corporation and its subsidiaries. We sometimes refer to our Board of Directors as the "Board."

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 6, 2009

The Great Lakes Dredge & Dock Corporation Proxy Statement and Annual Report to Stockholders for the year ended December 31, 2008 are available at www.gldd.com/proxy

Where will the Annual Meeting be held?

The 2009 Annual Meeting will be held on Wednesday, May 6, 2009, at 10:00 A.M. Central Daylight Time, at the Renaissance Hotel, 2100 Spring Road, Oak Brook, Illinois 60523 to consider the matters set forth in the Notice of Annual Meeting of Stockholders.

What materials are being sent along with this Proxy Statement?

This proxy statement is being sent along with our Annual Report to Stockholders for the year ended December 31, 2008 (which is not part of the soliciting materials) and the proxy card.

Table of Contents

Who is entitled to vote at the Annual Meeting?

Only stockholders of record of our common stock, par value \$0.0001 per share, at the close of business on March 24, 2009 will be entitled to vote at the 2009 Annual Meeting. As of this record date, there were a total of 58,484,242 shares of our common stock outstanding, each share being entitled to one vote. There is no cumulative voting.

How many votes must be present to hold the Annual Meeting?

The presence at the 2009 Annual Meeting, in person or by proxy, of the holders of a majority of the shares of our outstanding common stock will constitute a quorum for the transaction of business at the Annual Meeting. If a quorum is not present or represented at the Annual Meeting, the stockholders entitled to vote at the Annual Meeting, present in person or represented by proxy, will have the power to adjourn the Annual Meeting without notice, other than the announcement at the Annual Meeting of such adjournment, until a quorum shall be present or represented.

Even if you plan to attend the Annual Meeting, in order to ensure the presence of a quorum at the Annual Meeting, please vote your shares in accordance with the instructions described below. Abstentions and broker non-votes are counted as present for purposes of establishing a quorum. Shares owned by Great Lakes are not voted and do not count for quorum purposes. A broker non-vote occurs when a broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker or nominee does not have discretionary voting power and has not received instructions from the beneficial owner.

Who is the record holder and what if the shares are held through a broker?

If you are the registered holder of shares, then you are the record holder of those shares, and you should vote your shares as described in the next section.

If you own shares through a broker, the registered holder of those shares is the broker or its nominee. Such shares are often referred to as being held in "street name," and you, as the beneficial owner of those shares, do not appear in our stock register. For street name shares, there is a two-step process for distributing our proxy materials and tabulating votes. Brokers inform us how many of their clients own common stock in street name, and the broker forwards our proxy materials to those beneficial owners. If you receive our proxy materials from your broker, including a voting instruction card, you should vote your shares by following the procedures specified on the voting instruction card. Shortly before the Annual Meeting, your broker will tabulate the votes it has received and submit a proxy card to us reflecting the aggregate votes of the street name holders. If you plan to attend the Annual Meeting and vote your street name shares in person, you should contact your broker to obtain a broker's proxy card and bring it to the Annual Meeting.

How do record holders vote their shares?

You can vote at the Annual Meeting in person or by proxy. We recommend that you vote by proxy even if you plan to attend the Annual Meeting. You can always attend the Annual Meeting and revoke your proxy by voting in person.

There are three ways to vote by proxy:

By telephone You can vote by touch tone telephone by calling toll-free 1 (866) 894-0537, 24 hours a day, 7 days a week, and following the instructions on our proxy card;

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Table of Contents

By Internet You can vote by Internet by going to the website www.continentalstock.com and following the instructions on our proxy card; or

By mail You can vote by mail by completing, signing, dating and mailing our enclosed proxy card.

By giving us your proxy, you are authorizing the individuals named on our proxy card, the proxies, to vote your shares in the manner you indicate. You may:

vote for the election of all of our director nominees;

withhold authority to vote for all of our director nominees; or

vote for the election of one or more of our director nominees and withhold authority to vote for the other nominee(s), by so indicating on the proxy card.

You may vote "FOR" or "AGAINST" or "ABSTAIN" from voting on the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009.

What if I do not vote for some of the matters listed on the proxy?

If you vote by proxy without indicating your instructions, your shares will be voted FOR the election of our three director nominees and FOR the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2009.

How can I revoke my proxy after it is submitted?

A stockholder may revoke a proxy at any time prior to its exercise:

by giving to our Secretary a written notice of revocation of the proxy's authority, such notice to be delivered to our principal executive offices;

by submitting a duly elected proxy bearing a later date; or

by attending the 2009 Annual Meeting and voting in person.

Who pays the cost of solicitation of proxies for the Annual Meeting?

We will pay the costs for the solicitation of proxies, including the cost of preparing and mailing this proxy statement. Proxies are being solicited primarily by mail, but the solicitation by mail may be followed-up by solicitation in person, or by telephone or facsimile, by our regular employees without additional compensation for such proxy solicitation activity. We will reimburse brokers, banks and other custodians and nominees for their reasonable out-of-pocket expenses incurred in sending proxy materials to our stockholders. We have also hired Morrow & Co., LLC to assist in the solicitation of proxies.

Table of Contents

Who should I contact with questions?

Please contact Morrow & Co., LLC, our solicitation agent, at the phone number or address listed below with any questions regarding the Annual Meeting.

**Morrow & Co., LLC
470 West Avenue 3rd Floor
Stamford, CT 06902**

Banks and Brokerage Firms, please call (203) 658-9400
Stockholders, please call (800) 607-0088

How many votes are necessary for the election of the proposed nominees to the Board of Directors?

The nominees for director for three-year terms will be elected provided that they receive the affirmative vote of a plurality of the shares present at the Annual Meeting, whether in person or by proxy. This means that, if a quorum is present, the three persons receiving the greatest number of votes will be elected to serve as directors. Withholding authority to vote for a director nominee is the equivalent of abstaining from the vote. Abstentions and broker non-votes are not counted as votes cast for the purposes of, and therefore will have no impact as to, the election of directors.

How many votes are necessary for the approval of our proposed independent registered public accounting firm?

Deloitte & Touche LLP will be ratified as our independent registered public accounting firm for the fiscal year ending December 31, 2009 provided it receives the affirmative vote of a majority of the shares present at the Annual Meeting, whether in person or by proxy. Abstentions will be treated as being present and entitled to vote on the matter and, therefore, will have the effect of votes against the proposal. A broker non-vote is treated as not being entitled to vote on the matter and, therefore, is not counted for purposes of determining whether the proposal has been approved.

What other matters will be acted upon at the Annual Meeting?

As of the date of this proxy statement, our Board of Directors does not know of any business that will be presented for consideration at the 2009 Annual Meeting other than the matters described in this proxy statement. If any other matters are properly brought before the Annual Meeting, the persons named in the enclosed proxy card will vote the proxies in accordance with their best judgment.

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

Set forth below are the names, ages, positions and biographies of our directors as of April 6, 2009. The Board of Directors, at the recommendation of its Nominating and Corporate Governance Committee, has nominated the first three listed directors for re-election to the Board of Directors for three-year terms:

Name	Age	Position
Bruce J. Biemeck*	59	Non-executive Director
Thomas S. Souleles*	40	Non-executive Director
Jason G. Weiss*	39	Non-executive Director
Douglas B. Mackie	56	President, Chief Executive Officer and Director
Peter R. Deutsch	52	Non-executive Director
Nathan D. Leight	49	Non-executive Director
Jonathan W. Berger	50	Non-executive Director
Douglas C. Grissom	42	Non-executive Director

*

Directors nominated for election at the 2009 Annual Meeting.

Composition of the Board of Directors

Our Board is currently composed of eight members divided into three classes. The members of each class are elected to serve three-year terms with the term of office of each class ending in successive years. Bruce J. Biemeck, Thomas S. Souleles and Jason G. Weiss are the directors in the class whose term expires at the 2009 Annual Meeting. The Board, upon recommendation of the Nominating and Corporate Governance Committee, has nominated Messrs. Biemeck, Souleles and Weiss for re-election and the three nominees have indicated a willingness to serve. The members of the two other classes of directors will continue in office for their existing terms. Upon the expiration of the term of a class of directors, the nominees for such class will generally be elected for three-year terms at the Annual Meeting of Stockholders held in the year in which such term expires. A plurality of the shares of common stock present and voting at the Annual Meeting is necessary to elect the nominees for director.

The persons named as proxies in the enclosed proxy card will vote the proxies received by them for the election of Bruce J. Biemeck, Thomas S. Souleles and Jason G. Weiss unless otherwise directed. In the event that any of the nominees become unavailable for election at the Annual Meeting, the persons named as proxies in the enclosed proxy card may vote for a substitute nominee in their discretion as recommended by the Board.

Table of Contents

Nominees For Election at the 2009 Annual Meeting

Bruce J. Biemeck, Director

*(Nominee for new term at 2009
Annual Meeting of Stockholders.
Current term expires at the 2009
Annual Meeting of Stockholders.)*

Mr. Biemeck has served as a member of our Board since our merger with a subsidiary of Aldabra Acquisition Corporation on December 26, 2006, referred to as the "Aldabra Merger" in this proxy statement. Since April 1999, Mr. Biemeck has been a private real estate investor and developer and has acted as an independent consultant. From 1994 to April 1999, Mr. Biemeck was Senior Vice President, Chief Financial Officer and Treasurer of Great Lakes. Mr. Biemeck received a Bachelor of Science degree from St. Louis University and an M.B.A from the University of Chicago and is a Certified Public Accountant and member of the Financial Executives Institute.

Thomas S. Souleles, Director

*(Nominee for new term at 2009
Annual Meeting of Stockholders.
Current term expires at the 2009
Annual Meeting of Stockholders.)*

Mr. Souleles has served as a member of our Board since the acquisition of Great Lakes by Madison Dearborn Capital Partners IV, L.P., referred to as "MDCP IV" in this proxy statement, in December 2003, and he remained a director following the Aldabra Merger. Since 2000, Mr. Souleles has been a Managing Director of Madison Dearborn Partners, LLC, referred to as "MDP" in this proxy statement, a private equity investment firm. Mr. Souleles concentrates on investments in the basic industries sector and currently serves on the Boards of Directors of: Boise Inc., a paper and packaging company, Forest Products Holdings, LLC (d.b.a. Boise Cascade, LLC), a wood products manufacturer and building materials distributor, and US Power Generating Company, an electric power generating company. Mr. Souleles also serves on the Board of Directors of The Children's Memorial Medical Center, and the Board of Trustees of the National Multiple Sclerosis Society, Greater Illinois Chapter. Mr. Souleles received an A.B. from Princeton University, a J.D. from Harvard Law School and an M.B.A. from the Harvard Graduate School of Business Administration.

Table of Contents

Jason G. Weiss, Director

*(Nominee for new term at 2009
Annual Meeting of Stockholders.
Current term expires at the 2009
Annual Meeting of Stockholders.)*

Mr. Weiss has served as a member of our Board since the Aldabra Merger. He was Aldabra's Chief Executive Officer, Secretary and a member of Aldabra's Board of Directors from Aldabra's inception in 2004 until the completion of the Aldabra Merger. Mr. Weiss is the co-founder and a managing member of Terrapin Partners LLC, established in August 1998, and Terrapin Asset Management, LLC and TWF Management Company LLC. From March 2007 until February 2008, Mr. Weiss was the Chief Executive Officer of Aldabra 2 Acquisition Corp. In February 2008, Aldabra 2 acquired the paper and packaging assets of Boise Cascade, LLC, changed its name to Boise Inc. (NYSE: BZ), and Mr. Weiss became a director of Boise Inc. From March 1999 to December 1999, Mr. Weiss served as the chief executive officer of PaperExchange.com, Inc., a web-based trading platform for paper and pulp, and from December 1999 to March 2000 he served as executive vice president of strategy. He also served as a managing member of e-STEEL LLC, an Internet-based steel marketplace, from September 1998 to March 1999. Mr. Weiss also served as a managing member of Terrapin's portfolio company, American Classic Sanitation, LLC, a temporary site services provider from August 1998 to December 2000 and from January 2004 to March 2004. He also served as its chief executive officer from August 1998 to December 1999. Mr. Weiss also serves on the board of directors of Equipois, Inc., a privately held manufacturer of mechanical arms that reduce worker injuries from sustained work with heavy tools, and Underground Solutions, Inc., a publicly traded water infrastructure technology company focused on trenchless rehabilitation of water pipelines. Mr. Weiss received a B.A. from the University of Michigan (with Highest Distinction) and a J.D. (cum laude) from Harvard Law School.

Table of Contents

**Directors Whose Term Will Continue
Following the 2009 Annual Meeting**

Jonathan W. Berger, Director

*(Term expires at 2010 Annual Meeting
of Stockholders.)*

Mr. Berger has served as a member of our Board since the Aldabra Merger. He was a member of Aldabra's Board of Directors from its inception in 2004 until the completion of the Aldabra Merger. Mr. Berger has been associated with Navigant Consulting, Inc., a New York Stock Exchange-listed consulting firm since December 2001, and is the managing director and co-practice area leader for the corporate finance practice. He has also been president of Navigant Capital Advisors, LLC, Navigant Consulting, Inc.'s registered broker-dealer, since October 2003. Mr. Berger is a director on the Board of Directors and is Chairman of the Audit Committee of Boise Inc., a paper and packaging company. From January 2000 to March 2001, Mr. Berger was president of DotPlanet.com, an Internet services provider. From August 1983 to December 1999, Mr. Berger was employed by KPMG, LLP, an independent public accounting firm, where he served as a partner from August 1991 to December 1999; he was in charge of the corporate finance practice for three of those years. Mr. Berger received a B.S. from Cornell University and an M.B.A. from Emory University. Mr. Berger is a certified public accountant. Mr. Berger is the cousin of Nathan D. Leight, one of our directors.

Table of Contents

Peter R. Deutsch, Director

(Term expires at 2011 Annual Meeting of Stockholders.)

Mr. Deutsch has served as a member of our Board since the Aldabra Merger. He was a member of Aldabra's Board of Directors from its inception in 2004 until the completion of the Aldabra Merger. Mr. Deutsch is an attorney in private practice. Mr. Deutsch was a member of the United States House of Representatives from January 1993 until January 2005 representing the 20th Congressional District of Florida. He served on the House Energy and Commerce Committee from January 1994 until January 2005. He was the Ranking Democrat on the Oversight and Investigations Subcommittee during the 104th, 107th and 108th Congresses. Mr. Deutsch was the Ranking Democrat in the investigations of Enron Corporation, Martha Stewart Living Omnimedia Inc., Bridgestone/Firestone Tires and the conflict of interest abuses at the National Institute of Health. He was also a member of the subcommittees on Telecommunications and the Internet, the Environment and Hazardous Materials and Consumer Trade and Protection. Prior to serving in Congress, Mr. Deutsch served in the Florida House of Representatives from November 1982 until November 1992, where he served on the Veterans Affairs Committee, the Health Care Committee, the Criminal Justice Committee, and as Chairman of the Insurance Committee. Mr. Deutsch received a B.S. from Swarthmore College and a J.D. from Yale University Law School.

Douglas C. Grissom, Director

(Term expires at 2010 Annual Meeting of Stockholders.)

Mr. Grissom has served as a member of our Board since the acquisition of Great Lakes by MDCP IV in December 2003, and he remained a director following the Aldabra Merger. Since June 2007, Mr. Grissom has been a Managing Director at MDP. Prior to joining MDP, Mr. Grissom was with Bain Capital, Inc., an alternative asset management firm in private equity, McKinsey & Company, Inc., and Goldman, Sachs & Co. Mr. Grissom concentrates on investments in the communications sector and currently serves on the Boards of Directors of Asurion Corporation, a wireless handset insurance and roadside assistance provider, and Cbeyond Communications, Inc., a voice and broadband Internet provider. Mr. Grissom also serves on the Board of the Children's Inner City Educational Fund. Mr. Grissom received an A.B. from Amherst College and an M.B.A. from the Harvard Graduate School of Business Administration.

Table of Contents

Nathan D. Leight, Director

*(Term expires at 2011 Annual Meeting
of Stockholders.)*

Mr. Leight has served as a member of our Board since the Aldabra Merger. He was Aldabra's Chairman of the Board of Directors from its inception in 2004 until completion of the Aldabra Merger. Mr. Leight is the co-founder, a managing member, and chief investment officer of Terrapin Partners LLC, established in August 1998, and Terrapin Asset Management, LLC. Terrapin Partners is a private investment management firm. Terrapin Asset Management focuses on the management of multi-manager hedge fund portfolios and, as of January 1, 2009, managed more than \$300 million. From March 2007 until February 2008 Mr. Leight was the Chairman of Aldabra 2 Acquisition Corp., a blank check company which raised \$414 million of gross proceeds in its June 2007 initial public offering. In February 2008, Aldabra 2 acquired the paper and packaging assets of Boise Cascade, LLC, changed its name to Boise Inc. (NYSE: BZ), and Mr. Leight became a director of Boise Inc. From September 1998 to March 1999, Mr. Leight served as the interim chief executive officer of e-STEEL LLC, an Internet-based steel marketplace, and from January 2000 to May 2002, he served as interim chief executive officer of VastVideo, Inc., a special interest video content and technology provider. From February 1995 to August 1998, Mr. Leight was employed by Gabriel Capital LP, a hedge fund with assets exceeding \$1 billion, and from February 1995 to August 1997, he served as its chief investment officer. From December 1991 to February 1995, Mr. Leight served as a managing director of Dillon Read & Co., an investment bank, where he oversaw the firm's proprietary trading department. Mr. Leight received a A.B. from Harvard College (cum laude). Mr. Leight is the cousin of Jonathan W. Berger, one of our directors.

*Douglas B. Mackie, President and
Chief Executive Officer, Director*

*(Term expires at 2011 Annual Meeting
of Stockholders.)*

Mr. Mackie has served as a member of our Board and as our President and Chief Executive Officer since 1995. He joined Great Lakes in 1978 as Corporate Counsel. In 1987, he was named Senior Vice President. Mr. Mackie earned a J.D. from Northern Illinois University and an MBA from the University of Chicago. He is a former President of the Dredging Contractors of America.

Family Relationships

Two of our directors, Jonathan W. Berger and Nathan D. Leight, are cousins.

Agreements with Respect to Nominees

The investor rights agreement by and among Great Lakes, Aldabra, MDCP IV, certain Aldabra stockholders, and certain of our stockholders provides that MDCP IV has the right to nominate the number of directors to our Board that is proportional to the voting power represented by the shares of

Table of Contents

our capital stock owned by MDCP IV, until such time as MDCP IV owns less than 5% of the voting power of our capital stock. MDCP IV currently owns 24.5% of our outstanding common stock. Accordingly, MDCP IV is entitled to nominate two directors.

In connection with this Proposal 1, MDCP IV has nominated Mr. Souleles for reelection at the 2009 Annual Meeting. In addition, MDCP IV's second nominee, Mr. Grissom, is currently serving a continuing term on the Board. See "*Certain Relationships and Related Transaction Agreements with Related Persons Investor Rights Agreement.*"

Vote Required and Recommendation

The nominees for director will be elected for three-year terms provided that they receive the affirmative vote of a plurality of the shares present at the Annual Meeting, whether in person or by proxy. This means that, if a quorum is present, the three persons receiving the greatest number of votes at the Annual Meeting will be elected to serve as directors. As a result, withholding authority to vote for a director nominee, abstentions, and broker non-votes with respect to the election of directors will not affect the outcome of the election of directors.

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF EACH OF THE ABOVE NAMED NOMINEES TO THE BOARD OF DIRECTORS. PROXIES SOLICITED BY THE BOARD OF DIRECTORS WILL BE VOTED "FOR" THE ELECTION OF EACH OF THE NOMINEES NAMED ABOVE UNLESS INSTRUCTIONS TO THE CONTRARY ARE GIVEN.

Table of Contents**BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

Our Board of Directors currently consists of eight members and has a separately standing Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. The following table provides membership information during fiscal 2008 and through April 6, 2009 for each of our Committees of the Board of Directors:

Name	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Jonathan W. Berger	X*		
Bruce J. Biemeck		X	
Peter R. Deutsch	X		X
Douglas C. Grissom			X*
Thomas S. Souleles		X*	X

*

Denotes Committee Chairperson

Below is a description of each Committee of our Board of Directors.

Audit Committee. The Audit Committee is comprised of Messrs. Berger, Biemeck and Deutsch, each of whom has been determined to be an independent director according to the rules and regulations of the SEC and the NASDAQ Stock Market. Additionally, our Board has determined that Mr. Berger and Mr. Biemeck are each an "audit committee financial expert," as such term is defined in Item 401(h) of Regulation S-K. The Audit Committee charter requires that all of its members be "independent directors," as such term is defined in Rule 4200(a)(15) of the NASDAQ Marketplace Rules.

The Audit Committee operates under a written charter, a copy of which is available on our website at www.gldd.com or may be obtained by writing to our Secretary at our principal executive office. Under this charter, the Audit Committee is responsible for:

monitoring the integrity of our financial reporting process and systems of internal controls regarding finance, accounting and legal compliance;

monitoring the independence and performance of our independent auditor and monitoring the performance of our internal audit function;

hiring and firing our auditor and approving any non-audit work performed for us; and

providing an avenue of communication among the independent auditor, management and our Board.

The Audit Committee held five meetings during fiscal 2008.

Compensation Committee. The Compensation Committee is comprised of Messrs. Biemeck, Grissom and Souleles, each of whom has been determined to be an independent director according to the rules and regulations of the SEC and the NASDAQ Stock Market.

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Messrs. Grissom, Souleles and Biemeck are each considered to be a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange

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Table of Contents

Act in this proxy statement, and an "outside director" under section 162(m) of the Internal Revenue Code of 1986, as amended, which we refer to as the "Tax Code" in this proxy statement.

The Compensation Committee operates under a written charter, a copy of which is available on our website at www.gldd.com or may be obtained by writing to our Secretary at our principal executive office. Under this charter, the Compensation Committee is responsible for:

reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer, evaluating the chief executive officer's performance in light of these goals and approving the chief executive officer's compensation level based on this evaluation;

screening and recommending to the full Board individuals qualified to become chief executive officer;

establishing total compensation for the Board and approving total compensation for senior executives, including oversight of all senior executive benefit plans;

overseeing our general cash-based and equity-based incentive plans; and

producing a Compensation Committee report on executive compensation as required by the SEC to be included in our annual proxy statement.

The Compensation Committee held one meeting and took one action by written consent during fiscal 2008.

Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee is comprised of Messrs. Deutsch, Grissom and Souleles, each of whom has been determined to be an independent director according to the rules and regulations of the SEC and the NASDAQ Stock Market.

The Nominating and Corporate Governance Committee operates under a written charter, a copy of which is available on our website at www.gldd.com or may be obtained by writing to our Secretary at our principal executive office. Under this charter, the Nominating and Corporate Governance Committee is responsible for:

developing and recommending qualification standards and other criteria for selecting new directors, identifying individuals qualified to become Board members consistent with qualification standards and other criteria approved by the Board and recommending to the Board such individuals as nominees to the Board for its approval;

overseeing evaluations of the Board, individual Board members and the Board committees; and

overseeing our compliance with ethics policies and considering matters of corporate governance.

The Nominating and Corporate Governance Committee does not set specific minimum qualifications for director positions. Instead, the Committee believes that nominations should be based on a particular candidate's merits and our needs after taking into account the current composition of the Board. When evaluating candidates for the position of director, the Nominating and Corporate Governance Committee considers an individual's skills, age, diversity, independence from us, experience in areas that address the needs of the Board and ability to devote adequate time to Board duties. Candidates that appear to best fit the needs of the Board and us are identified and unless such individuals are well known to the Board, they are interviewed and further evaluated by the Nominating and Corporate Governance Committee. Candidates selected by the Nominating and Corporate Governance Committee are then recommended to the full Board. After the Board approves a candidate,

Table of Contents

the Chair of the Nominating and Corporate Governance Committee extends an invitation to the candidate to join the Board.

The Nominating and Corporate Governance Committee will consider nominees for election or appointment to the Board who are recommended by our stockholders, provided that a complete description of such nominee's qualifications, experience and background, together with a statement signed by each nominee in which he or she consents to act as such, accompanies the recommendations, provided further that nominations by stockholders must be made in accordance with our By-Laws. See "*Proposals for the 2010 Annual Meeting*" below. Such recommendations should be submitted in writing to the attention of the Nominating and Corporate Governance Committee, c/o Secretary, Great Lakes Dredge & Dock Corporation, 2122 York Road, Oak Brook, IL 60523 and should not include self-nominations.

The Nominating and Corporate Governance Committee recommended Messrs. Biemeck, Souleles and Weiss to the Board as director nominees for election at the 2009 Annual Meeting of Stockholders. See "*Proposal 1 Election of Directors.*"

The Nominating and Corporate Governance Committee held one meeting during fiscal 2008.

Other Committees. Our Board of Directors may establish other committees as it deems necessary or appropriate from time to time.

Attendance at Board of Directors and Committee Meetings. Our current Board of Directors held eight meetings and took action by written consent one time during fiscal 2008. Each member of the Board attended at least 75% of all meetings of the Board and those Board Committees on which he served in 2008. The members of our Board are encouraged to attend our Annual Meeting of Stockholders. In May 2008, six members of our Board attended our Annual Meeting of Stockholders.

Executive Sessions of Non-Management Directors and Independent Directors

The non-management directors of the Board meet periodically in executive sessions without our management present. The independent directors also meet on occasion or as necessary in executive session. The Chairs of each of the Committees together select a director to serve as the Chair of each executive session of independent directors. Stockholders wishing to communicate with the independent directors may contact them by writing to: Independent Directors, c/o Secretary, Great Lakes Dredge & Dock Corporation, 2122 York Road, Oak Brook, IL 60523. Any such communication will be promptly distributed to the directors named in the communication in the same manner as described below in "*Communications with the Board of Directors.*"

Director Independence

The Board of Directors has determined that Messrs. Berger, Biemeck, Deutsch, Grissom and Souleles, constituting a majority of the Board, are independent directors, as such term is defined in Rule 4200(a)(15) of the NASDAQ Marketplace Rules. In reaching the conclusion that Mr. Berger is independent, the Board of Directors considered the fact that he is the cousin of Mr. Leight. In reaching the conclusion that Mr. Biemeck is independent, the Board considered the fact that he served as chief financial officer of Great Lakes from 1994 to 1999. The Board concluded that these relationships did not impact the independence of these directors under applicable NASDAQ Marketplace Rules.

Table of Contents

Code of Ethics

We have adopted a written Code of Business Conduct and Ethics that applies to all our employees, including our principal executive officer, principal financial officer, controller, and persons performing similar functions. Our code of ethics can be found on our website at www.gldd.com. We will post on our website any amendments to or waivers of the Code of Business Conduct and Ethics for executive officers or directors, in accordance with applicable laws and regulations. A copy also may also be obtained by writing to our Secretary at our principal executive office.

Communication with the Board of Directors

We have not adopted a formal process for stockholder communications with our Board of Directors, but stockholders and other interested parties can send communications to one or more members of the Board by writing to the Board or to specific directors (including independent directors or Committee chairs) or group of directors at the following address:

Great Lakes Dredge & Dock Corporation Board of Directors
c/o Senior Vice President Finance and Secretary
Great Lakes Dredge & Dock Corporation
2122 York Road
Oak Brook, Illinois 60523

Any such communication will be promptly distributed by the Secretary to the individual director or directors named in the communication or to all directors if the communication is addressed to the entire Board of Directors. Every effort has been made to ensure that the views of stockholders are heard by the Board of Directors or individual directors, as applicable, and that appropriate responses are provided to stockholders in a timely manner. To date, we have not considered it necessary to adopt a more formal process for stockholder communications with the Board of Directors. Nevertheless, during the upcoming year the Board of Directors will continue to monitor whether it would be appropriate to adopt a formal process.

Compensation of Directors

Non-employee directors receive compensation for Board service which is designed to fairly compensate directors for their Board responsibilities. An employee director receives no additional compensation for Board service. The Compensation Committee has the primary responsibility to review and consider any revisions to directors' compensation. Director compensation is reviewed annually by the Compensation Committee, with recommendation to the full Board, and approves changes to director pay.

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Table of Contents

The following table sets forth the compensation paid to each of our non-employee directors for the year ended December 31, 2008.

Name(1)	Fees Earned or Paid in Cash (\$)	Stock Awards(2) (\$)	Total (\$)
Jonathan W. Berger	\$ 30,000	\$ 30,000	\$ 60,000
Bruce J. Biemeck	\$ 30,000	\$ 30,000	\$ 60,000
Peter R. Deutsch	\$ 30,000	\$ 30,000	\$ 60,000
Douglas C. Grissom			
Nathan D. Leight	\$ 30,000	\$ 30,000	\$ 60,000
Thomas S. Souleles			
Jason G. Weiss	\$ 30,000	\$ 30,000	\$ 60,000

(1)

As an employee, Mr. Mackie is not entitled to additional compensation for serving as a member of the Board. See the "*Summary Compensation Table for Year Ended December 31, 2008*" for his compensation information. In addition, Messrs. Grissom and Souleles declined compensation for serving as non-employee members of the Board.

(2)

Each non-employee director, except for Messrs. Grissom and Souleles, who declined to receive any compensation, received an award of \$30,000 in shares of our common stock, with each such director receiving shares equal to \$7,500 on each of May 20, June 30, September 30 and December 31 of fiscal 2008. Such shares had a grant date fair value of \$5.41, \$6.11, \$6.31 and \$4.15 per share, respectively, as computed in accordance with Statement of Financial Accounting Standards No. 123R, "Share-Based Payment," referred to in this proxy statement as "FAS 123R."

Table of Contents

PROPOSAL 2 RATIFICATION OF INDEPENDENT AUDITOR

The Audit Committee of the Board of Directors, subject to stockholder ratification, has appointed Deloitte & Touche LLP as the independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending December 31, 2009. During fiscal year 2008, Deloitte & Touche LLP also served as our independent registered public accounting firm and, in addition, provided certain tax and other audit-related services. See "*Matters Related to Independent Public Accountants Professional Fees.*" Representatives of Deloitte & Touche LLP are expected to attend the Annual Meeting, where they will be available to respond to appropriate questions and, if they desire, to make a statement.

Vote Required and Recommendation

Deloitte & Touche LLP will be ratified as our independent registered public accounting firm for the fiscal year ending December 31, 2009 provided it receives the affirmative vote of a majority of the shares present at the Annual Meeting, whether in person or by proxy, assuming a quorum is present. Abstentions will be treated as being present and entitled to vote on the matter and, therefore, will have the effect of voting against the proposal. A broker non-vote is treated as not being entitled to vote on the matter and, therefore, is not counted for purposes of determining whether the proposal has been approved.

Although we are not required to seek stockholder ratification of this appointment, the Audit Committee and the Board believe it to be sound corporate practice to do so. If the appointment is not ratified, the Audit Committee will investigate the reasons for stockholder rejection and the Audit Committee will reconsider the appointment.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2009. PROXIES SOLICITED BY THE BOARD OF DIRECTORS WILL BE VOTED "FOR" THE RATIFICATION OF THE APPOINTMENT OF DELOITTE & TOUCHE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM UNLESS INSTRUCTIONS TO THE CONTRARY ARE GIVEN.

Table of Contents

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers and all persons who beneficially own more than 10% of the outstanding shares of our common stock to file with the SEC initial reports of ownership and reports of changes in ownership of our common stock. Executive officers, directors and greater than 10% beneficial owners are also required to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of filings with the SEC and/or written representations and materials furnished to us from certain reporting persons, we believe that all filing requirements applicable to our executive officers, directors and persons who own more than 10% of our common stock were complied with in fiscal 2008, except as otherwise noted in this paragraph. Each of our non-executive directors who received compensation in the form of common stock in fiscal 2008 Messrs. Biemeck, Berger, Deutsch, Leight and Weiss filed two late Forms 4 Statements of Changes of Beneficial Ownership of Securities with respect to grants of common stock to such directors on June 30, 2008 and September 30, 2008, which Forms were filed on August 27, 2008 and October 10, 2008, respectively.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table is based on 58,484,242 shares of common stock outstanding as of March 30, 2009, and sets forth certain information with respect to the beneficial ownership of our common stock as of the same date by:

each person whom we know to own beneficially more than five percent of the outstanding shares of our common stock;

each of our directors and named executive officers; and

all of our directors and executive officers as a group.

Unless otherwise stated, each of the persons in the table has sole voting and investment power with respect to the securities beneficially owned.

	Beneficially Owned Number of Shares of Common Stock	Percentage of Common Stock
Madison Dearborn(1)(2)	14,328,918	24.50%
FMR LLC(3)	7,297,017	12.48%
Hound Partners LLC, Hound Performance LLC and Jonathan Auerbach(4)	4,441,548	7.60%
Rutabaga Capital Management(5)	4,106,898	7.02%
Douglas B. Mackie(6)(7)	339,320	*
Richard M. Lowry(6)(8)	438,260	*
Deborah A. Wensel(6)(9)	99,967	*
David E. Simonelli(6)(10)	68,155	*
Kyle Johnson(6)(11)	48,773	*
Jonathan Berger(12)	26,008	*
Bruce J. Biemeck(13)	8,108	*
Peter Deutsch(14)	28,308	*
Douglas C. Grissom(1)(15)		
Nathan Leight(16)	1,782,608	3.05%
Thomas S. Souleles(1)(15)		
Jason Weiss(17)	1,168,508	2.00%
All directors and executive officers as a group (19 persons)(18)	4,249,073	7.27%

* Denotes less than 1%.

(1) The address for each of Madison Dearborn Capital Partners IV, L.P. ("MDCP") and Messrs. Souleles and Grissom is c/o Madison Dearborn Partners, LLC, 70 W. Madison Street, Suite 3800, Chicago, Illinois 60602.

(2) Includes 14,257,572 shares directly owned by MDCP and 71,346 shares directly owned by Special Co-Invest Partners I ("Co-Invest"). Madison Dearborn Partners IV, L.P. ("MDP IV") is the general partner of MDCP. John A. Canning, Jr., Paul J. Finnegan and Samuel M. Mencoff are the sole members of a limited partner committee of MDP IV (which is the general partner of MDCP) that have the power, acting by majority vote, to vote or dispose of the shares held by MDCP. William S. Kirsch, as the managing general partner of Co-Invest, has the power to vote or dispose of the shares held by Co-Invest. The address for each of MDCP, MDP IV, and

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Table of Contents

Co-Invest is c/o Madison Dearborn Partners, LLC, 70 W. Madison Street, Suite 3800, Chicago, Illinois 60602.

- (3) Includes (i) 6,557,080 shares beneficially owned by Fidelity Management & Research Company, referred to as "Fidelity," a wholly-owned subsidiary of FMR Corp., referred to as "FMR," and an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, as a result of acting as investment adviser to various investment companies registered under Section 8 of the Investment Company Act of 1940. The address for Fidelity is 82 Devonshire Street, Boston, Massachusetts 02109. The ownership of one investment company, Fidelity Dividend Growth Fund, amounted to 4,304,981 shares. Edward C. Johnson III, the Chairman of FMR, and FMR, through its control of Fidelity, and the funds each has sole power to dispose of the 6,557,080 shares owned by the funds; (ii) 734,437 shares beneficially owned by Pyramis Global Advisors Trust Company, an indirect wholly-owned subsidiary of FMR and a bank as defined in Section 3(a)(6) of the Exchange Act. The address for Pyramis is 53 State Street, Boston, Massachusetts 02109. Edward C. Johnson III, the Chairman of FMR, and FMR, through its control of Pyramis, each has sole dispositive power over the 734,437 shares and sole power to vote or to direct the voting of 691,437 of the shares owned by the institutional accounts managed by Pyramis; (iii) 5,500 shares beneficially owned by FIL Limited, referred to as "FIL," which provides investment advisory and management services to a number of non-U.S. investment companies and certain institutional investors. The address for FIL is Pembroke Hall, 42 Crow Lane, Hamilton, Bermuda. Partnerships controlled predominantly by members of the family of Edward C. Johnson III, Chairman of FMR and FIL, or trusts for their benefit, own shares of FIL voting stock with the right to cast approximately 47% of the total votes which may be cast by all holders of FIL voting stock. The information contained in this footnote (3) was derived from the Schedule 13G/A filed by FMR and various affiliated entities with the SEC on February 17, 2009. The address for FMR LLC is 82 Devonshire Street, Boston, Massachusetts 02109.
- (4) Jonathan Auerbach is the managing member of Hound Performance, LLC ("Hound Performance") and Hound Partners, LLC ("Hound Partners"). Hound Performance and Hound Partners, together with Jonathan Auerbach, as managing member of Hound Performance and Hound Partners, may be deemed to be the beneficial owners of, and each has the shared power to vote, dispose, or direct the voting or disposition of 4,441,548 shares of our common stock. The principal business address of Hound Partners, Hound Performance, and Jonathan Auerbach is 101 Park Avenue, 48th Floor, New York, New York 10178. The information in this footnote (4) was derived from a Schedule 13G filed by Hound Partners LLC and its affiliated entities with the SEC on February 17, 2009.
- (5) Rutabaga Capital Management ("Rutabaga") may be deemed to be the beneficial owner of 4,106,898 shares of our common stock. Rutabaga has the sole power to dispose or direct the disposition of all of such shares, the sole power to vote or direct the voting of 2,507,396 of such shares and the shared power to vote or direct the voting of 1,599,502 of such shares. The principal business address of Rutabaga is 97 Broad Street, 3rd Floor, Boston, Massachusetts 02109. The information in this footnote (5) was derived from a Schedule 13G filed by Rutabaga with the SEC on February 6, 2009.
- (6) The address for each of Messrs. Mackie, Lowry, Simonelli and Johnson and Ms. Wensel is c/o Great Lakes Dredge & Dock Corporation, 2122 York Road, Oak Brook, Illinois 60523.
- (7) Includes 12,000 shares held by the wife of Mr. Mackie. Includes 20,875 options to purchase Company stock, exercisable within 60 days of March 30, 2009.

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Table of Contents

- (8) Includes 20,045 options to purchase Company stock, exercisable within 60 days of March 30, 2009.
- (9) Shares are held by the Deborah A Wensel Living Trust, for which Ms. Wensel serves as trustee. Includes 12,949 options to purchase Company stock, exercisable within 60 days of March 30, 2009.
- (10) Includes 4,372 options to purchase Company stock, exercisable within 60 days of March 30, 2009.
- (11) Includes 3,970 options to purchase Company stock, exercisable within 60 days of March 30, 2009.
- (12) The business address for Mr. Berger is c/o Navigant Consulting, Inc., 1180 Peachtree Street, N.E., Suite 1900, Atlanta, Georgia 30309.
- (13) The address for Mr. Biemeck is 39851 N. Old Stage Road, Cave Creek, Arizona 85331.
- (14) The business address for Mr. Deutsch is P.O. Box 817689, Hollywood, Florida 33081.
- (15) Mr. Souleles and Mr. Grissom are managing directors of MDP LLC, the general partner of MDP IV, which in turn is the general partner of MDCP. As a result, Mr. Souleles and Mr. Grissom may be deemed to share beneficial ownership of the shares owned by MDCP. Each of Messrs. Souleles and Grissom disclaims beneficial ownership of the shares held of record by MDCP, except to the extent of any pecuniary interest.
- (16) Includes (i) 367,250 shares of common stock held by the Leight Family 1998 Irrevocable Trust, a trust established for the benefit of Mr. Leight's family of which his wife is the trustee, (ii) 43,000 shares of common stock held by the wife of Mr. Leight, and (iii) 4,000 shares of common stock held by various family trusts. The business address for Mr. Leight is c/o Terrapin Partners LLC, 540 Madison Avenue, 17th Floor, New York, New York 10022.
- (17) Includes (i) 914,681 shares of common stock held by the Jason G. Weiss Revocable Trust dated August 2, 2000, (ii) 248,119 shares of common stock held by the Weiss Family Trust dated August 7, 2000, a trust established by Mr. Weiss, and (iii) 100 shares of common stock held by the wife of Mr. Weiss. The business address for Mr. Weiss is c/o Terrapin Partners LLC, 540 Madison Avenue, 17th Floor, New York, New York 10022.
- (18) Includes 80,573 options to purchase Company stock, exercisable within 60 days of March 30, 2009.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Overview

The following Compensation Discussion and Analysis, or CD&A, provides information relevant to understanding the 2008 compensation of our executive officers identified in the Summary Compensation Table on page 28, whom we refer to as our named executive officers. The following discussion also contains statements regarding future individual and company performance targets and goals. These targets and goals are disclosed in the limited context of our compensation programs and should not be understood to be statements of our management's expectations or estimates of results or other guidance. We specifically caution investors not to apply these statements to other contexts.

On December 26, 2006, as a result of the Aldabra Merger, we became a public company and our common stock was listed on The Nasdaq Global Market. The Compensation Committee, of which Mr. Souleles is Chairman, is responsible for the oversight, implementation and administration of all of the executive compensation plans and programs. The Compensation Committee determines all of the components of compensation of the chief executive officer, and, in consultation with the chief executive officer, determines the compensation of the remaining executive officers.

Below we provide a more detailed explanation of the compensation and benefit programs for our named executive officers, including a description of our philosophy, plans and processes.

Compensation Policies and Practices

The Compensation Committee believes that a significant portion of annual and long-term compensation paid to named executive officers should be closely aligned with our operating and financial performance on both a short-term and long-term basis. The goal of our executive compensation programs is to provide our named executive officers with compensation and benefits that are fair, reasonable and competitive in the marketplace. The programs are intended to help us recruit and retain qualified executives, and provide rewards that are linked to performance while also aligning the interests of these individuals with those of our stockholders. Specific objectives of this philosophy are as follows:

To attract, motivate and retain highly experienced executives who are vital to our short- and long-term success, profitability, and growth;

To achieve accountability for performance by linking annual cash awards to achievement of measurable performance objectives; and

To align executives and shareholders by rewarding executives for the achievement of strategic goals that successfully drive our operations and thereby enhance stockholder value.

Our executive compensation programs are designed to encourage executive officers to operate the business in a manner that enhances stockholder value. A substantial portion of the executive's overall compensation is tied to our financial performance, specifically operating income and EBITDA, which represents net income (loss), adjusted for net interest expense, income taxes, depreciation and amortization expense. EBITDA is not a term defined under accounting principles generally accepted in the United States of America, referred to as "GAAP". The compensation philosophy provides for a direct relationship between compensation and the achievement of our goals and seeks to include management in upside rewards and downside risk. Executive compensation consists of base salary, annual cash bonus incentives and awards under the Great Lakes Dredge & Dock Corporation 2007 Long-Term Incentive Plan, referred to as the "2007 Plan".

Table of Contents

Role of Compensation Consultants

Since February 2008, our Compensation Committee has engaged the services of Hewitt Associates LLC, or Hewitt, as a compensation consultant to advise the Compensation Committee on matters related to the design and implementation of awards under our 2007 Plan. In an effort to assess market competitive goals related to the percentage of total compensation provided in the form of long-term incentive awards, Hewitt reviewed the percentile goals established for senior management for a general industry group of approximately 400 companies. Hewitt did not provide services relating to any other components of total compensation.

Hewitt was engaged by and reports directly to the Compensation Committee, and works directly with management under the direction of the Compensation Committee. Hewitt does not perform any other services for the company. Billing by Hewitt will be provided directly to, and approved for payment by, the Compensation Committee.

Hewitt also provided verbal advice to the Compensation Committee during individual calls with the Chair of the Compensation Committee to provide counsel on general and specific issues.

The Annual Compensation Process

Our annual compensation review is undertaken at the direction and under the supervision of the Compensation Committee. Other than our Chief Executive Officer working with our Chief Financial Officer and Chief Operating Officer, no executive officers are involved in making recommendations for executive officer compensation. No officers are involved in determining director compensation.

In the first quarter of each year, typically in January, the Compensation Committee reviews management's recommendations and our historical pay and performance information. Following the review process, the Compensation Committee approves the annual base salary and the annual budgeted dredging EBITDA for our Annual Cash Bonus Plan for the upcoming year for the Chief Executive Officer and the other named executive officers and reports to the non-management members of the Board regarding the review process and its compensation determinations. In 2008, the first year in which equity awards were granted pursuant to the 2007 Plan, in its January meeting the Compensation Committee's review included consideration of the value of restricted stock unit grants and the number of stock options, if any, to be awarded during that year. It is the Compensation Committee's policy to authorize and grant equity awards as of the date of the Board of Directors meeting at which such awards are approved by the non-management members of the Board of Directors upon the recommendation of the Compensation Committee, based upon the fair market value of our common stock as of the date of the award.

In the second quarter of 2008, the Compensation Committee granted equity awards pursuant to the 2007 Plan in the form of stock options and restricted stock units. In connection with this grant, the Compensation Committee determined the amount of awards to be made to each recipient thereof and set the applicable vesting criteria.

Periodically throughout the year, the Compensation Committee may discuss, as appropriate, the philosophy for the overall compensation packages, and decide whether changes should be made in the components of the package and/or the mix of the package or whether special awards are appropriate or desirable. No such changes were made for any named executive officers in 2008.

Table of Contents

Components of Total Compensation

Our compensation and benefits package for named executive officers consists of base salary, an annual cash bonus incentive, long term incentive awards and certain Company programs. Each component is designed to contribute to a total compensation package that is competitive and appropriately performance-based, and to create incentives for our named executive officers that coincide with our goals and objectives. In determining the compensation of the named executive officers, the Compensation Committee considered our operating and financial performance as a whole, as well as each executive's satisfaction of his or her responsibilities associated with each of their respective positions. The Compensation Committee believes, and it has structured compensation accordingly, that the compensation of these named executive officers should have an agreed to base salary and a significant component of their compensation package which is performance-based, as described in this section of the proxy statement. In 2008, our named executive officers on average received 46% of their total compensation as base compensation, 37% as annual cash bonus incentive compensation and 19% as long-term incentive compensation.

We have entered into employment agreements with each of Mr. Mackie, Mr. Lowry, and Ms. Wensel. The employment agreements, other than specific levels of compensation and certain severance payment terms, are substantially similar to each other. The employment agreements set forth a general framework for compensation, and generally set minimum levels of compensation, job responsibilities and severance arrangements governing the obligations of the parties following a termination of employment as a result of "cause," "good reason" or "change in control." These terms are defined, and the implications of a termination of employment for any of these reasons is set forth in this proxy statement under "*Executive Compensation Executive Employment Arrangements*." The basic structure of the terms of the employment arrangements, including termination and change in control arrangements, were a result of negotiated agreements intended to insure retention of senior management by providing financial security and stability, and were structured to provide economic incentives for continued compliance with the continuing non-competition and confidentiality covenants in the employment agreements that survive termination of employment. We have not entered into an employment agreement with either of Messrs. Simonelli or Johnson.

Base Salary. Base salary is established based on the experience, skills, knowledge and responsibilities required of the executive officers in their roles. When establishing the 2008 base salaries of the executive officers, a number of factors were considered, including the years of service of the individual, the individual's duties and responsibilities, the ability to replace the individual, and market data on similar positions with competitive companies as information becomes available to us informally through recruitment, search consultants in connection with recent hiring efforts and through our directors' experience with other companies. We seek to maintain base salaries that are competitive with the marketplace to allow us to attract and retain executive talent. Salaries for executive officers are reviewed on an annual basis by the Compensation Committee, at the time of a promotion or other change in level of responsibilities, as well as when competitive circumstances may require review. Increases in salary are based on evaluation of factors such as the individual's level of responsibility and performance.

Annual Cash Bonus Incentive. We maintain an Annual Cash Bonus Plan, or Bonus Plan, pursuant to which senior management employees are eligible to receive annual cash bonuses equal to a percentage of their annual salary with actual payouts determined based upon our achievement of a budgeted EBITDA attributable to our dredging segment. For purposes of the Bonus Plan, budgeted EBITDA is set annually by the Board of Directors. EBITDA under the Bonus Plan is calculated as

Table of Contents

earnings before interest, taxes, depreciation and amortization attributable to our dredging segment. We believe that dredging EBITDA, a non-GAAP financial measure, is helpful in assessing the overall performance of our business and is helpful in highlighting trends in our dredging business because the items excluded in calculating dredging EBITDA have little or no bearing on our day-to-day operating performance. The Board of Directors set \$45.6 million as 2008 budgeted EBITDA attributable to our dredging segment; this is the amount of 2008 budgeted dredging EBITDA that we used for our internal budgeting purposes

The Compensation Committee retains discretion to adjust actual dredging EBITDA in order to assure that the intents and purposes of the Bonus Plan are effectuated. Reasons for adjustments could include removing the effects of unanticipated events, such as unbudgeted accounting changes, project restructurings, balance sheet adjustments and similar items which, unless excluded, would produce unintended consequences that are inconsistent with the alignment of the interests of named executive officers with those of our stockholders and to provide financial incentives to named executive officers to effectively implement our business plan and goals. In 2008, no adjustments were made to actual dredging EBITDA.

The following table identifies the annual cash bonus incentive opportunities with respect to 2008 for our named executive officers who were eligible therefor based on the level of dredging EBITDA actually achieved as a percentage of the 2008 adjusted budgeted dredging EBITDA:

Actual Dredging EBITDA (as defined)	Bonus Award Opportunity CEO and COO	Bonus Award Opportunity CFO
=90% of Budgeted EBITDA	35% of annual salary	23.75% of annual salary
=Budgeted EBITDA	70% of annual salary	47.5% of annual salary
=120% of Budgeted EBITDA	140% of annual salary	95% of annual salary

Between each budgeted EBITDA threshold, the bonus pool is interpolated based upon actual dredging EBITDA.

In 2008, our chief executive officer, chief operating officer and chief financial officer were the only senior management employees who were eligible to participate in the senior management provisions of our Bonus Plan. For 2008, we achieved 109% of budgeted dredging EBITDA and paid bonuses of 101% of annual salary to our chief executive officer and chief operating officer and 68% of annual salary to our chief financial officer. As a result, on March 12, 2009, Mr. Mackie received a cash bonus of \$455,655, Mr. Lowry received a cash bonus of \$439,559, and Ms. Wensel received a cash bonus of \$191,797 with respect to our performance in fiscal 2008.

Messrs. Simonelli and Johnson were not eligible to participate in the senior management provisions of our Bonus Plan in 2008. We intend to amend our Bonus Plan so that, beginning in 2009, any employee holding the position of Senior Vice President or higher will be eligible to participate in the senior management provisions of our Bonus Plan. Messrs. Simonelli and Johnson were promoted to Senior Vice President in February 2009; as a result, it is our intention that they will be eligible to participate in the senior management provisions of our Bonus Plan starting in 2009 on the same basis currently applicable to our chief financial officer.

After giving consideration to the performance of Messrs. Simonelli and Johnson in 2008, the Compensation Committee authorized a discretionary bonus to be paid to Messrs. Simonelli and Johnson equal to the amount that they would have received if they had been Senior Vice Presidents participating in the senior management provisions of our Bonus Plan in 2008. As a result, on

Table of Contents

March 12, 2009, Messrs. Simonelli and Johnson were paid discretionary bonuses of 68% of their 2008 annual salary or \$126,274 and \$114,329, respectively.

Long Term Incentive Awards. Long-term equity incentive awards are equity awards designed to attract and retain executives, and to strengthen the link between compensation and increased stockholder value. While equity had not historically comprised a portion of our executive compensation arrangements, the Board believes that equity awards align the interests of management, employees and our stockholders. In addition, grants of awards under the 2007 Plan represent the only portion of incentive compensation the amount of which is based upon individual performance criteria. Accordingly, in May 2008 we granted stock options and restricted stock units for the first time under a formalized program under the 2007 Plan. Long-term equity awards are granted in the Compensation Committee's discretion and may be made under the 2007 Plan in various forms, including restricted stock units, restricted stock and/or stock options.

The Compensation Committee and management regularly monitor the environment in which we operate, and make changes to our equity program to help us meet our goals, including achieving long-term stockholder value and attracting, motivating and retaining top talent. The Compensation Committee intends our equity program to remain flexible to meet future market conditions and will change the program if conditions warrant. The Compensation Committee considers it important to retain a balance between awards that provide high incentive value, such as options, and awards that provide more retention value, such as time-based restricted stock units. In considering whether to grant restricted stock units, stock options, other types of awards, or a combination of awards, the Compensation Committee will review our overall performance for the prior year, the executives' level of responsibility, prior experience, historical award data, individual performance, compensation practices at peer companies and other relevant data. The Compensation Committee also considers the expense against earnings for accounting purposes compared to the expected benefit of new awards to us and our named executive officers, as well as the value of awards already held by named executive officers.

Individual grants to each named executive officer are determined based on a variety of factors. For fiscal 2008, we targeted the value of our equity awards to be in approximately the 50th percentile of a general industry group, based on information provided by Hewitt and gathered from publicly available sources and market surveys. Variations from this target percentile resulted from a number of considerations. These included a named executive officer's job performance and contributions, skill set, prior experience, and time in his position with us, as well as internal equity considerations, pressures to attract and retain talent, and business conditions. The 2008 equity awards were targeted to be equivalent to a value that is between 30% and 50% of the executive's base salary.

In 2008, the Compensation Committee granted long-term equity incentive awards of stock options and restricted stock units. The goal of stock options is generally to focus executives on increasing shareholder value through stock price appreciation. The stock option awards made in 2008 had an exercise price equal to the fair market value of our common stock on the effective date of the grant and vest in three equal tranches on May 20, 2009, 2010 and 2011 provided the named executive officer is employed by us as of each vesting date. Restricted stock units are meant to retain executives and provide a vehicle that complements the attributes of stock options. Restricted stock unit awards granted in 2008 vest fully on May 20, 2011, provided the named executive officer is employed by us as of such vesting date.

Other Programs. The named executive officers are also provided with life and medical insurance, 401(k) matching and profit sharing and a car allowance program. Our 401(k) plan provides that we

Table of Contents

will match, dollar for dollar, up to 6% of an employee's salary and bonus that is contributed to his or her 401(k) account. We also sponsor a 401(k) lost benefit plan, which provides an additional bonus to executive officers who are unable to obtain the maximum tax-deferred benefits allowed by our 401(k) plan due to IRS limits under Sections 402(g)(3) and 415(c)(1)(A) of the Tax Code. The 401(k) lost benefit plan provides additional compensation to make up for the lost tax benefit and Company match on the difference of 6% of the executive's salary and bonus over the maximum contribution allowed by the IRS elective deferral limits. This amount is then grossed up and paid as cash compensation to the executive.

We also may provide a profit share contribution to an employee's 401(k) account as a percentage (between 0% and 10%) of the employee's salary. However, the IRS limits the total annual contribution for an employee into a qualified plan. This amount was \$46,000 for 2008. We therefore provide additional compensation to make up for the lost profit sharing amount which cannot be contributed because the executive has hit the maximum annual contribution amount allowed by the IRS limitations. This amount is also grossed up and paid as cash to the executive.

We do not sponsor any defined benefit plans or deferred compensation plans.

Determining Benefit Levels

The Compensation Committee reviews benefit levels periodically to ensure that the plans and programs create the desired incentives for our employees, including named executive officers, which are generally competitive with the applicable marketplace, are cost-effective, and support our human capital needs. Benefit levels are not tied to company, business area or individual performance.

Tax Considerations

We generally will be entitled to a tax deduction in connection with awards under the Equity Award Plan in an amount equal to the ordinary income realized by participants and at the time the participants recognize such income. Special rules limit the deductibility of compensation paid to our named executive officers. Under section 162(m) of the Tax Code, the annual compensation paid to our chief executive officer and our three other most highly compensated executive officers, other than our chief financial officer, will be deductible to the extent it does not exceed \$1,000,000 or satisfies certain conditions set forth in section 162(m) relating to qualifying performance-based compensation plans. Our 2008 equity awards were designed to satisfy the requirements for deductible compensation.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2008.

The Compensation Committee of the Board:

Thomas S. Souleles, Chairman
Bruce J. Biemeck
Douglas C. Grissom

Table of Contents

EXECUTIVE COMPENSATION
Summary Compensation Table For Year Ended December 31, 2008

The following table sets forth the compensation for the services in all capacities to us or our subsidiaries for the years ended December 31, 2008, 2007 and 2006 of (a) our Chief Executive Officer, (b) our Chief Financial Officer, and (c) the three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, employed by us as of December 31, 2008, whose total annual salary and bonus exceeded \$100,000, referred to as the "named executive officers" in this proxy statement:

Name and Principal Position	Year	Salary	Bonus(1)	Stock Awards(2)	Option Awards(3)	Non-Equity Incentive Plan Compensation(4)	Change in Pension Value and Nonqualified Non-Equity Deferred	All Other Compensation(5)	Total
Douglas B. Mackie, President and Chief Executive Officer	2008	\$453,000		\$ 15,468	\$ 27,324	\$ 455,655		\$ 162,705	\$1,114,152
	2007	\$432,000				\$ 389,250		\$ 177,040	\$ 998,290
	2006	\$400,000				\$ 497,548		\$ 170,344	\$1,067,892
Deborah A. Wensel Senior Vice President, Chief Financial Officer and Treasurer	2008	\$281,000		\$ 9,595	\$ 16,949	\$ 191,797		\$ 79,553	\$ 578,894
	2007	\$267,000				\$ 163,250		\$ 87,447	\$ 517,697
	2006	\$239,000				\$ 201,729		\$ 77,760	\$ 518,489
Richard M. Lowry, Executive Vice President and Chief Operating Officer	2008	\$437,000		\$ 14,853	\$ 26,239	\$ 439,559		\$ 155,071	\$1,072,722
	2007	\$416,000				\$ 374,830		\$ 168,654	\$ 959,484
	2006	\$385,000				\$ 478,890		\$ 160,669	\$1,024,559
David E. Simonelli, Senior Vice President Chief Site Manager	2008	\$185,000	\$126,274	\$ 6,016	\$ 5,722			\$ 42,118	\$ 365,130
	2007	\$175,000	\$ 80,000					\$ 41,409	\$ 296,409
	2006	\$165,000	\$ 83,750					\$ 42,000	\$ 290,750
Kyle D. Johnson, Senior Vice President Chief Contract Manager	2008	\$167,500	\$114,329	\$ 5,463	\$ 5,197			\$ 38,086	\$ 330,575
	2007	\$160,000	\$ 75,000					\$ 38,842	\$ 273,842
	2006	\$151,500	\$ 80,000					\$ 39,516	\$ 271,016

(1) Represents discretionary cash bonuses paid to the named executive officers.

(2) Represents the compensation cost recognized by us in the applicable year related to restricted stock unit awards to named executive officers computed in accordance with FAS 123R. The awards for which cost is shown in this table include the awards granted in 2008, as described in the "Grants of Plan-Based Awards Table" below. The assumptions used in determining the FAS 123R values are set forth in Note 6 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2008.

(3)

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Represents the compensation cost recognized by us in the applicable year related to stock option awards to named executive officers computed in accordance with FAS 123R, disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions. The awards for which cost is shown in this table include the awards granted in 2008, as described in the "Grants of Plan Based Awards Table" below. The assumptions used in determining the FAS 123R values are set forth in Note 6 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2008. See the "Grants of Plan-Based Awards Table" for more information regarding the stock options we granted in 2008 to named executive officers.

(4)

Represents cash bonuses paid under the annual cash bonus plan based upon the achievement of EBITDA-based targets for 2008. Such bonuses were paid in 2009. See "*Compensation Discussion and Analysis*" for further information.

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Table of Contents

(5)

The dollar value of the amounts shown in this column for 2008 includes the following:

Name	Car Allowance	401(k) Lost Benefit(a)	Profit Sharing	Matching Contributions to 401(k)	Dividend Equivalent(b)	Total
Douglas B. Mackie	\$ 13,200	\$ 118,534	\$ 15,000	\$ 15,500	\$ 471	\$ 162,705
Deborah A. Wensel	\$ 12,000	\$ 36,761	\$ 15,000	\$ 15,500	\$ 292	\$ 79,553
Richard M. Lowry	\$ 12,000	\$ 112,119	\$ 15,000	\$ 15,500	\$ 452	\$ 155,071
David E. Simonelli	\$ 8,400	\$ 3,035	\$ 15,000	\$ 15,500	\$ 183	\$ 42,118
Kyle D. Johnson	\$ 8,400	\$	\$ 14,020	\$ 15,500	\$ 166	\$ 38,086

(a)

See the description of the cash compensation for the 401(k) lost benefit plan in "Compensation Discussion and Analysis."

(b)

Amount received by the named executive officer in the form of dividend equivalent payment on Restricted Stock Units. In 2008, each of our named executive officers received a dividend equivalent payment of \$0.051 for each Restricted Stock Unit held by such named executive officer.

Grants of Plan Based Awards Table

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/sh)	Grant Date Fair Value of Stock and Option Awards(2)
		Threshold(1) (\$)	Target (\$)	Maximum (\$)				
Douglas B. Mackie	February 2008 May 20, 2008		\$ 317,100	634,200	13,853	62,624	\$ 5.41	\$ 215,469
Deborah A. Wensel	February 2008 May 20, 2008		\$ 133,475	266,950	8,593	38,846	\$ 5.41	\$ 133,656
Richard M. Lowry	February 2008 May 20, 2008		\$ 305,900	611,800	13,302	60,136	\$ 5.41	\$ 206,905
					5,388	13,115	\$ 5.41	\$ 58,578

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David E. Simonelli May 20, 2008

Kyle D. Johnson	May 20, 2008	4,893	11,910	\$ 5.41	\$ 53,196
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- (1) As described above, bonus awards under the Bonus Plan are based on the achievement of budgeted dredging EBITDA. Until 90% of the budgeted dredging EBITDA is reached, the executive is not eligible to receive a bonus. Therefore, the threshold bonus is \$0.
- (2) Represents the grant date fair value of the awards computed in accordance with FAS 123R. The assumptions used in determining the FAS 123R values are set forth in Note 6 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2008.

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Table of Contents

The following table sets forth the outstanding equity awards held by each of our named executive officers as of December 31, 2008:

Outstanding Equity Awards at Fiscal Year-End 2008

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested(1) (\$)
Douglas B. Mackie		62,624(2)	\$ 5.41	May 20, 2018	13,853(3)	\$ 57,490
Deborah A. Wensel		38,846(2)	\$ 5.41	May 20, 2018	8,593(3)	\$ 35,661
Richard M. Lowry		60,136(2)	\$ 5.41	May 20, 2018	13,302(3)	\$ 55,203
David E. Simonelli		13,115(2)	\$ 5.41	May 20, 2018	5,388(3)	\$ 22,360
Kyle D. Johnson		11,910(2)	\$ 5.41	May 20, 2018	4,893(3)	\$ 20,306

- (1) Based on the closing price of our common stock of \$4.15 on December 31, 2008, as reported on the NASDAQ Global Market.
- (2) Options vest in three equal installments on May 20, 2009, May 20, 2010 and May 20, 2011.
- (3) Restricted stock units vest on May 20, 2011.

None of our named executive officers exercised options and no restricted stock units vested for our named executive officers during the year ended December 31, 2008.

Executive Employment Arrangements

On July 2, 2007 we entered into new employment agreements with Douglas B. Mackie, President and Chief Executive Officer, Richard M. Lowry, Executive Vice President and Chief Operating Officer, and Deborah A. Wensel, Senior Vice President and Chief Financial Officer, each referred to as an "Executive." Each employment agreement provides for an initial term of three years with automatic renewal for successive one-year terms, unless sooner terminated by either party giving 90 days written notice prior to the end of the then-current term.

Base Salary and Benefits. The employment agreements provide for 2008 base salaries, referred to as "Base Salaries," for Messrs. Mackie and Lowry and Ms. Wensel of \$453,000, \$437,000 and \$281,000, respectively, subject to annual increase by the Board. Each Executive is

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entitled to participation in our annual performance bonus plans, long-term compensation plans (including the Annual Cash Bonus Plan), and any equity-based compensation plans applicable to senior management and other benefits generally available to senior management.

Termination for any Reason. We are responsible for the following payments upon the Executive's termination for any reason:

earned but unpaid Base Salary through the date of termination;

any annual incentive bonus, or other form of incentive compensation, for which the performance measurement period has ended and the Executive has become eligible for payment but which is unpaid at the time of termination;

Table of Contents

any accrued but unpaid vacation;

any amounts payable under our executive benefit plans (other than any severance or termination pay plan) in accordance with the terms of those plans, except as may be required under Tax Code Section 401(a)(13); and

any unreimbursed business expenses.

Additionally, Mr. Lowry and Ms. Wensel would be entitled to continued health benefits during the COBRA continuation period, and Mr. Mackie and his spouse would each be eligible for continued health benefits until they become eligible for Medicare coverage. Upon termination for Cause (as defined below), no other payments are due to Messrs. Mackie or Lowry or Ms. Wensel.

Voluntary Termination of Employment for Other than Good Reason. Upon termination for other than Good Reason (as defined below), the Executive would be entitled to a pro-rata portion of the target bonus under our annual incentive plan for the year in which such termination occurs.

"Good Reason" means the occurrence of any of the following without the Executive's consent:

a material reduction or a material adverse alteration in the nature of the Executive's position, responsibilities or authorities or assigning duties to the Executive that are materially inconsistent with those of the Executive's position for similar companies in similar industries;

the Executive's becoming the holder of a lesser office or title than that previously held or altering the Executive's reporting requirements;

any material breach of the employment agreement by us which causes an adverse change to the terms and conditions of the Executive's employment;

our requiring the Executive to relocate his principal business office to a location not within fifty (50) miles of our principal business office located in Oak Brook, Illinois;

any reduction in the aggregate of the Executive's bonus opportunity, salary and benefits, other than a reduction in bonus opportunity or benefits generally applicable to executive employees; or

for our Chief Executive Officer, any failure to nominate or elect the Chief Executive Officer in his or her current office or as a Director of our Board.

A resignation is not deemed to occur for "Good Reason" unless the Executive provides notice to us, and such resignation occurs, within 90 days after the event or condition giving rise thereto. Upon receiving notice from the Executive, we have a period of thirty (30) days during which we may remedy the event or condition.

Table of Contents

Termination of Employment for Death or Disability. Upon the Executive's termination of employment by reason of death or disability (as defined in the agreement), the Executive (or his or her estate) is entitled to receive a pro rata portion of any bonus payable under our annual incentive plan for the year in which such termination occurs based on the highest of:

the actual annual bonus paid for the fiscal year immediately preceding such termination;

the target bonus for the fiscal year in which such termination occurs; or

the actual bonus attained for the fiscal year in which such termination occurs.

Termination without Cause, or Voluntary Termination for Good Reason. In the event of the Executive's termination by us without "Cause" or by the Executive for Good Reason, Mr. Mackie or Mr. Lowry would be entitled to a lump sum of two multiplied by the sum of the Executive's Base Salary and "Annual Bonus." For this purpose, "Annual Bonus" will be determined as the highest of:

the actual annual bonus paid for the fiscal year immediately preceding such termination;

the target bonus for the fiscal year in which such termination occurs; or

the actual bonus for the fiscal year in which such termination occurs.

Ms. Wensel is entitled to the same termination pay, but calculated at one and one-half (1.5) times the sum of Base Salary and Annual Bonus. Additionally, the Executive would be entitled to continued coverage under our medical, dental, life, disability, 401(k), profit sharing and other executive benefit plans for a set period (24 months for Messrs. Mackie and Lowry, and 18 months for Ms. Wensel) after the date of termination, referred to as the "Benefits Continuation Period," at the same cost to the Executive as in effect on the date of the Executive's termination, as well as access to professional outplacement services. The Benefits Continuation Period applies for purposes of determining the Executive's age and service with us with respect to (i) eligibility, vesting and the amount of benefits under our executive benefit plans, and (ii) the vesting of any outstanding stock options, restricted stock or other equity based compensation awards.

Under the employment agreements, "Cause" means:

the Executive's willful and continued failure to substantially perform his or her material duties as our executive (other than any such failure resulting from incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to the Executive by the Board;

the Executive's willful misconduct, which is demonstrably and materially injurious to us, monetarily or otherwise;

the Executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his or her creditability and reputation no longer conforms to our standard of senior executive officers;

the Executive's conviction of, or plea of guilty or nolo contendere to, a felony;

the Executive's material breach of our material written policy;

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the Executive's failure to reasonably cooperate with any audit or investigation involving us or our business practices; or

the Executive's material breach of his or her agreement.

Table of Contents

Change in Control. If within two years of a Change in Control (as defined below), we terminate Mr. Mackie's or Mr. Lowry's employment other than for Cause or either such Executive voluntarily terminates his employment for Good Reason, we will pay Mr. Mackie or Mr. Lowry, as applicable, two and one-half (2.5) times the sum of (i) such Executive's Base Salary in effect on the date of termination of employment and (ii) the Annual Bonus. Ms. Wensel is entitled to a payment upon a Change of Control equal to two times the sum of her Base Salary and Annual Bonus. Following termination upon a Change in Control, each Executive would be eligible to receive continued benefits for 30 months for Messrs. Mackie and Lowry and 24 months for Ms. Wensel, and as well as access to professional outplacement services.

For purposes of the employment agreements with the Executives, our "Change in Control" will be deemed to occur as of the first day that any one or more of the following conditions is satisfied:

The "beneficial ownership" (as defined in Rule 13d-3 under the Exchange Act) of securities representing more than twenty-five percent (25%) of the combined voting power of our then outstanding voting securities entitled to vote generally in the election of directors, referred to as the "Voting Securities," is accumulated, held or acquired by a Person (as defined in Section 3(a)(9) of the Exchange Act, as modified, and used in Sections 13(d) and 14(d) thereof) (other than us, any trustee or other fiduciary holding securities under our employee benefit plan, our holders of capital stock as of the date hereof or an affiliate thereof, any corporation owned, directly or indirectly, by our stockholders in substantially the same proportions as their ownership of our stock); provided, however that any acquisition from us or any acquisition pursuant to a transaction that complies with clauses (A), (B) and (C) (listed below) will not be a Change in Control, and provided further, that immediately prior to such accumulation, holding or acquisition, such Person was not a direct or indirect beneficial owner of twenty-five percent (25%) or more of our Voting Securities;

Individuals who, as of July 2, 2007, constitute the Board, referred to as the "Incumbent Board," cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent July 2, 2007 whose election, or nomination for election by our stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board will be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

Consummation by us of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of our assets or the acquisition of assets or stock of another entity, referred to as a "Business Combination," in each case, unless immediately following such Business Combination: (A) more than 60% of the combined voting power of then outstanding voting securities entitled to vote generally in the election of directors of (x) the corporation resulting from such Business Combination, referred to as the "Surviving Corporation," or (y) if applicable, a corporation that as a result of such transaction owns us or all or substantially all of our assets either directly or through one or more subsidiaries, referred to as the "Parent Corporation," is represented, directly or indirectly by Voting Securities outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Company Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportions as their

Table of Contents

ownership, immediately prior to such Business Combination, of Voting Securities, (B) no Person (excluding any of our employee benefit plan (or related trust) or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of the combined voting power of the then outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) except to the extent that our ownership existed prior to the Business Combination and (C) at least a majority of the members of the Board of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

Approval by our stockholders of a complete liquidation or dissolution of us.

However, in no event will a Change in Control be deemed to have occurred, with respect to the Executive, if the Executive is part of a purchasing group that consummates the Change in Control transaction. The Executive will be deemed "part of a purchasing group" if the Executive is an equity participant in the purchasing company or group (except: (i) passive ownership of less than two percent (2%) of the stock of the purchasing company; or (ii) ownership of equity participation in the purchasing company or group that is otherwise not significant, as determined prior to the Change in Control by a majority of the nonemployee continuing Directors; provided that, for purposes of the foregoing, participation as a management investor in such purchasing company will not be deemed to be within the exceptions provided for in (i) and (ii)).

Confidentiality and Non-Competition. Each Executive is subject to provisions restricting disclosure of non-public information. During the terms of their employment agreements and for two years thereafter (or, if such termination arises under circumstances where Mr. Mackie or Mr. Lowry is entitled to payments as a result of a Change of Control, during the period of his employment and for a period of 30 months thereafter), Messrs. Mackie and Lowry are prohibited from directly or indirectly carrying on, engaging or having a financial interest in any business which is in material competition with our business. During the term of her employment agreement and for 18 months thereafter (or, if such termination arises under circumstances where Ms. Wensel is entitled to payments as a result of a Change of Control, during the period of her employment and for a period of 24 months thereafter), Ms. Wensel is prohibited from directly or indirectly carrying on, engaging or having a financial interest in any business which is in material competition with our business.

Other Potential Post-Employment Payments

Below is the estimated amount that each of Messrs. Mackie and Lowry and Ms. Wensel would be entitled to receive upon termination of their employment pursuant to the terms of their employment agreements and pursuant to Company plans and equity award agreements between such individuals and the Company. In addition, below is the estimated amount that each of Messrs. Simonelli and Johnson would be entitled to receive pursuant to Company plans and equity award agreements between such individuals and the Company. For the purpose of determining the amounts set forth below, the termination of employment or change of control is assumed to have occurred at the close of business on December 31, 2008.

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

Name	Benefit	Termination Without Cause or Voluntary Termination for Good Reason	Termination for Cause or Voluntary Termination for Other Than Good Reason	Death or Disability	Change in Control
Douglas B. Mackie	Base salary	\$ 906,000	\$	\$	\$ 1,132,500
	Bonus	911,310	455,655	455,655	1,139,138
	Stock Options			(1)	(1)
	Restricted Stock			57,490(2)	57,490(2)
	Benefits(3)	349,521	118,534	118,534	436,901
Total:		2,166,831	574,189	631,679	2,766,029
Deborah A. Wensel	Base salary	\$ 421,500	\$	\$	\$ 562,000
	Bonus	383,594	191,797	191,797	479,493
	Stock Options			(1)	(1)
	Restricted Stock			35,661(2)	35,661(2)
	Benefits(3)	136,540	36,761	36,761	182,053
Total:		941,634	228,558	264,219	1,259,207
Richard M. Lowry	Base salary	\$ 874,000	\$	\$	1,092,500
	Bonus	879,118	439,559	439,559	1,098,898
	Stock Options			(1)	(1)
	Restricted Stock			55,203(2)	55,203(2)
	Benefits(3)	334,149	112,119	112,119	417,697
Total:		2,087,267	551,678	606,881	2,664,298
David E. Simonelli	Base salary	\$ 92,500(4)	\$	\$	\$ 92,500(4)
	Bonus				
	Stock Options			(1)	(1)
	Restricted Stock			22,360(2)	22,360(2)
	Benefits(3)				
Total:		92,500		22,360	114,860
Kyle D. Johnson	Base salary	\$ 69,792(4)	\$	\$	\$ 69,792(4)
	Bonus				
	Stock Options			(1)	(1)
	Restricted Stock			20,306(2)	20,306(2)
	Benefits(3)				
Total:		69,792		20,306	90,098

(1)

Represents the value of unvested stock options held by the named executive officer. However, because the exercise price of \$5.41 with respect to the shares underlying the options is greater than the \$4.15 per share closing price of our stock on the NASDAQ Global Market on December 31, 2008, the unvested stock options have no value for purposes of this table. In the event of a change in control, our Board may accelerate the vesting of the options at its discretion.

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Table of Contents

- (2) Represents the value of accelerated unvested restricted stock calculated by multiplying the number of shares of unvested restricted stock held by such named executive officer by \$4.15, the closing price of our stock on the NASDAQ Global Market on December 31, 2008. In the event of a change in control, our Board may accelerate the vesting of the shares of restricted stock at its discretion.
- (3) Benefits include auto, 401(k) lost benefit, medical and dental, profit sharing, 401(k) match, and life and disability insurance. The total amounts include the following:

Name	Benefit	Termination Without Cause or Voluntary Termination for Good Reason	Termination for Cause or Voluntary Termination for Other Than Good Reason	Change in Control
Douglas B. Mackie	401(k) Lost benefit	\$ 237,068	\$ 118,534	\$ 296,336
	Profit sharing	30,000		37,500
	401(k) match	31,000		38,750
Deborah A. Wensel	401(k) Lost benefit	55,142	36,761	73,522
	Profit sharing	22,500		30,000
	401(k) match	23,250		31,000
Richard M. Lowry	401(k) Lost benefit	224,238	112,119	280,298
	Profit sharing	30,000		37,500
	401(k) match	31,000		38,750

- (4) Messrs. Simonelli and Johnson would be entitled to severance compensation if the executive is terminated by us for any reason other than cause, death or permanent disability. Severance payments are based on years of service. Based on their years of service, Mr. Johnson would receive five months of severance pay and Mr. Simonelli would receive six months of severance pay. Payments would be made by us on a semi-monthly basis, but could be paid in a lump sum if agreed to by the Compensation Committee.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee was an officer or employee of Great Lakes or any of our subsidiaries during fiscal 2008, or was a former officer or employee of the same, except that Mr. Weiss was Aldabra's chief executive officer, secretary and a member of Aldabra's board of directors from Aldabra's inception until the completion of the Aldabra merger in December 2006. No interlocking relationship existed during the fiscal year ended December 31, 2008 between our Board or Compensation Committee and the board or compensation committee of any other company, nor has any such interlocking relationship existed in the past.

Table of Contents

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Agreements with Related Persons

Investor Rights Agreement. In connection with the Aldabra Merger, Aldabra, Great Lakes, MDCP IV, certain Aldabra stockholders and certain of our stockholders entered into an investor rights agreement. The investor rights agreement provides for certain registration rights with respect to shares held by the Aldabra stockholders who are party to the investor rights agreements, referred to as the "Aldabra Registrable Securities," shares held by MDCP IV, referred to as the "MDP Registrable Securities," and to shares held by certain other of our stockholders party to the investor rights agreement, referred to as the "Other Registrable Securities." Holders of at least a majority of MDP Registrable Securities, or Aldabra Registrable Securities after February 17, 2008, have the right to demand registration under the Securities Act of all or any portion of their registrable securities subject to certain amount and time limitations. Holders of the MDP Registrable Securities may demand three long-form registrations and an unlimited number of short-form registrations, while holders of the Aldabra Registrable Securities may only demand one long-form registration and one short-form registration. Additionally, whenever we propose to register any of our securities under the Securities Act and the registration form to be used may be used for the registration of registrable securities, holders of Aldabra Registrable Securities, MDP Registrable Securities or Other Registrable Securities will have the right to request the inclusion of their registrable securities in such registration. The investor rights agreement also provides that MDCP IV has the right to designate the number of directors to our Board that is proportionate to its voting power, as represented by the number of our shares owned by MDCP IV.

On December 26, 2006, following the Aldabra Acquisition, MDCP IV beneficially owned approximately 67% of our outstanding common stock. As of April 4, 2009, MDCP IV owned approximately 24.5% of our outstanding common stock. The investor rights agreement provides that MDCP IV shall have the right to designate a number of directors proportionate to its voting power.

Family Relationships

In March 2007, we hired Kathleen LaVoy as our Assistant General Counsel. Mrs. LaVoy is the daughter of Douglas B. Mackie. During fiscal 2008, Mrs. LaVoy received \$178,772 total compensation in this capacity.

Review, Approval or Ratification of Transactions with Related Persons

Related Party Transaction Policies and Procedures. All interested transactions with related parties are subject to our Related Party Transaction Policies and Procedures, which are set forth in writing. The Audit Committee is responsible for applying the Related Party Transaction Policy. For purposes of the Related Party Transaction Policy, the terms "interested transaction" and "related parties" are defined as follows:

"interested transaction" means any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which

the aggregate amount involved will or may be expected to exceed \$120,000 in any calendar year;

we are a participant; and

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Table of Contents

any related party has or will have a direct or indirect interest, other than solely as a result of being a director or a less than ten percent (10%) beneficial owner of another entity.

"related party" means any:

person who is or was, since the beginning of the last fiscal year for which we have filed a Form 10-K and proxy statement, even if they do not presently serve in that role, an executive officer, director or nominee for election as a director;

greater than five percent (5%) beneficial owner of our common stock; or

immediate family member of any of the foregoing. Immediate family member includes a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in such person's home (other than a tenant or employee).

In determining the propriety of an interested transaction with a related party, the Audit Committee will take into account, among other factors it deems important, whether the interested transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances and the extent of the related party's interest in the transaction.

Our Board has delegated to the chairman of the Audit Committee the authority to pre-approve or ratify (as applicable) any interested transaction with a related party in which the aggregate amount involved is expected to be less than \$500,000.

The Audit Committee has reviewed the following transactions and determined that each such transaction shall be deemed to be pre-approved or ratified under the terms of the Related Party Transaction Policy:

Employment of executive officers. Any employment by us of an executive officer if:

the related compensation is required to be reported in our proxy statement under the compensation disclosure requirements set forth in Item 402 of Regulation S-K under the Exchange Act, which are generally applicable to "named executive officers;" or

the executive officer is not an immediate family member of another executive officer or director, the related compensation would be reported in our proxy statement under the compensation disclosure requirements of Item 402 of Regulation S-K if the executive officer was a "named executive officer," and our Compensation Committee approved (or recommended that our Board approve) such compensation.

Director compensation. Any compensation paid to a director if the compensation is required to be reported in our proxy statement under Item 402 of the SEC's compensation disclosure requirements.

Certain transactions with other companies. Any transaction with another company at which a Related Person's only relationship is as an employee (other than an executive officer), director or beneficial owner of less than ten percent (10%) of that company's shares, if the aggregate amount involved does not exceed the greater of \$1,000,000 or two percent (2%) of that company's total annual revenues.

Certain charitable contributions. Any charitable contribution, grant or endowment by us to a charitable organization, foundation or university at which a Related Person's only relationship is as an employee (other than an executive officer) or a director, if the aggregate amount involved

Table of Contents

does not exceed the greater of \$1,000,000 or two percent (2%) of the charitable organization's total annual receipts.

Transactions where all stockholders receive proportional benefits. Any transaction where the Related Person's interest arises solely from the ownership of our common stock and all holders of our common stock received the same benefit on a pro rata basis (e.g. dividends).

Entering into the investor rights agreement was approved by our entire Board of Directors in connection with the Aldabra Merger. Prior to the Aldabra Merger, we did not have an independent audit committee, as we were a privately held company.

Equity Compensation Plan Information

The following table sets forth information as of December 31, 2008 regarding the number of securities which could be issued upon the exercise of outstanding options, the weighted average exercise price of those options in the 2007 Plan, and the number of securities then remaining for future issuance under the 2007 Plan. We do not have any equity compensation plans that have not been approved by our security holders.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved By Security Holders	502,153(1) \$	5.41(2)	5,297,487
Equity Compensation Plans Not Approved By Security Holders	N/A	N/A	N/A
TOTAL	502,153 \$	5.41	5,297,487

(1) Includes 145,735 shares of our common stock issuable pursuant to restricted stock units under our 2007 Plan. Restricted stock units represent an unfunded, unsecured right to receive shares of our common stock.

(2) Because restricted stock units do not have an exercise price, 145,735 shares of our common stock issuable pursuant to restricted stock units under our 2007 Plan are not included in the calculation of weighted average exercise price.

Table of Contents**MATTERS RELATED TO INDEPENDENT PUBLIC ACCOUNTANTS**

Deloitte & Touche LLP has been appointed by the Audit Committee to be our independent registered public accounting firm for the fiscal year ending December 31, 2009. Stockholders are being asked to ratify the appointment of Deloitte & Touche LLP at the Annual Meeting pursuant to *Proposal 2* on page 17 of this proxy statement.

Professional Fees

We paid the following professional fees to our independent registered public accounting firm, Deloitte & Touche LLP and its affiliates, for the years ended December 31, 2008 and 2007:

	Paid for the year ending December 31,	
	2008	2007
	in thousands	
Audit Fees(1)	\$ 1,339.2	\$ 1,445.8
Audit-Related Fees	43.0	10.0
Tax Fees(2)	128.1	153.3
All Other Fees(3)		
Total	\$ 1,510.3	\$ 1,609.1

- (1) This category includes audit fees for services related to our annual audits of our financial statements and internal control over financial reporting, and quarterly reviews of our financial statements performed in accordance with accounting standards generally accepted in the United States of America, and services that are normally provided by Deloitte & Touche LLP related to statutory or regulatory filings or engagements.
- (2) This category primarily includes fees for tax advice and return preparation for expatriate employees, tax planning and compliance related to our international operations, and other tax advice related to specific non-routine transactions.
- (3) We paid no fees to our principal independent accountants for other services.

Pre-Approval Policy for Independent Accountant Services

The Audit Committee has established a policy to pre-approve all audit and permissible non-audit services provided by our independent accountants. From time to time, however, circumstances may arise when it may become necessary to engage the independent accountants for additional services not contemplated in the original pre-approval. In those instances, the Audit Committee may also pre-approve services on a case-by-case basis. The Audit Committee may delegate pre-approval authority to one or more of its members. For the year ended December 31, 2008, the Audit Committee pre-approved all such audit and non-audit services, including tax services, provided by the independent accountants.

Report of the Audit Committee of the Board of Directors

With respect to fiscal 2008, the Audit Committee has:

reviewed and discussed the audited financial statements with management;

Table of Contents

discussed with our independent auditor, Deloitte & Touche LLP, referred to as "Deloitte," the matters required to be discussed by the Statement on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T; and

received the written disclosures and the letter from Deloitte required by Public Company Accounting Oversight Board Ethics and Independence Rule 3526, "Communication with Audit Committees Concerning Independence," and has discussed with Deloitte its independence.

Based on the foregoing review and discussions, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in our 2008 Annual Report on Form 10-K.

The Audit Committee of the Board of Directors:

Jonathan W. Berger, Chairman

Bruce J. Biemeck

Peter R. Deutsch

Table of Contents

MISCELLANEOUS

Solicitation of Proxies

We are paying the costs for the solicitation of proxies, including the cost of preparing and mailing this proxy statement. Proxies are being solicited primarily by mail, but the solicitation by mail may be followed-up by solicitation in person, or by telephone or facsimile, by our regular employees without additional compensation for such proxy solicitation activity. We will reimburse brokers, banks and other custodians and nominees for their reasonable out-of-pocket expenses incurred in sending proxy materials to our stockholders. We have also engaged Morrow & Co., LLC to assist in the solicitation of proxies for a fee of approximately \$5,500, plus reimbursement for out-of-pocket expenses.

Proposals for the 2010 Annual Meeting

Pursuant to federal securities laws, any proposal by a stockholder to be presented at the 2010 Annual Meeting of Stockholders and to be included in our proxy statement must be received at our executive office at 2122 York Road, Oak Brook, Illinois 60523, no later than the close of business on December 7, 2009. Proposals should be sent to the attention of our Secretary at our principal executive office. Pursuant to our By-laws, in order for a stockholder's nominee for election as a director or any other business to be properly brought before an Annual Meeting of Stockholders, the stockholder must give written notice of such stockholder's intent to bring a matter before the Annual Meeting no earlier than December 7, 2009, and no later than January 6, 2010. If the 2010 Annual Meeting is called for a date that is not within 30 days of the anniversary of the 2009 Annual Meeting, written notice of such stockholder's intent to bring a matter before the Annual Meeting must be received not later than the close of business on the tenth day following the date on which the first public disclosure of the date of the Annual Meeting is made. Each such notice should be sent to the attention of our Secretary at our principal executive office, and must set forth certain information with respect to the stockholder who intends to bring such matter before the meeting and the business desired to be conducted, as set forth in greater detail in our By-laws.

Annual Report

Our Annual Report to Stockholders for the fiscal year ended December 31, 2008 is being mailed to stockholders together with this proxy statement. The Annual Report to Stockholders is not part of the soliciting materials.

Availability of Information

This proxy statement is accompanied by our Annual Report, which includes our Form 10-K for the fiscal year ended December 31, 2008, which we previously filed with the SEC and which includes audited financial statements. You can obtain any of the documents that we file with the SEC (including an additional copy of our 2008 Annual Report on Form 10-K) by contacting us or the SEC. To obtain documents from us, please direct requests in writing to:

**Deborah A. Wensel
Chief Financial Officer and Secretary
Great Lakes Dredge & Dock Corporation
2122 York Road
Oak Brook, IL 60523**

Table of Contents

We will send you the requested documents without charge, excluding exhibits. **In addition, this proxy statement and Annual Report to Stockholders for the year ended December 31, 2008 are available at www.gldd.com/proxy.**

You may also read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Copies of such materials also can be obtained at the SEC's website, www.sec.gov or by mail from the Public Reference Room of the SEC, at prescribed rates. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room.

Other Matters

The Board of Directors knows of no other matters that will be presented for consideration at the 2009 Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their best judgment.

INCORPORATION BY REFERENCE

The Audit Committee Report (including reference to the independence of the members of the Audit Committee) is not deemed to be filed with the SEC and shall not be deemed incorporated by reference into any prior or future filings made by us under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that we specifically incorporate such information by reference.

By Order of the Board of Directors,

Deborah A. Wensel
Secretary

April 6, 2009

