

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **December 9, 2016**

Nabors Industries Ltd.

(Exact Name of Registrant as Specified in its Charter)

Commission File Number: **001-32657**

Bermuda
(State of Incorporation)

98-0363970
(IRS Employer Identification No.)

**Crown House
4 Par-la-Ville Road
Second Floor
Hamilton, HM08 Bermuda**
(Address of principal executive offices) (zip code)

(441) 292-1510
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

As previously disclosed, on December 2, 2016, Nabors Industries, Inc. ("NII"), a wholly owned subsidiary of Nabors Industries Ltd. ("NIL"), and NIL entered into a purchase agreement under which NII agreed to sell \$600 million aggregate principal amount of its 5.5% Senior Notes due 2023 (the "Notes") to Morgan Stanley & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Mizuho Securities USA Inc., Citigroup Global Markets Inc., HSBC Securities (USA) Inc., Wells Fargo Securities, LLC and MUFG Securities Americas Inc. (collectively, the "Initial Purchasers"). The Notes are fully and unconditionally guaranteed by NIL. The closing of the sale of the Notes occurred on December 9, 2016. NII received net proceeds, after deducting estimated offering commissions and estimated net expenses, of approximately \$587.3 million. The proceeds from the sale

of the Notes are intended to be used to prepay the \$162.5 million portion due in 2018 under NII's \$325.0 million unsecured term loan and all amounts currently outstanding under NII's unsecured revolving credit facility, which matures in 2020. Any proceeds not used for such purposes will be used for general corporate purposes, including to repay amounts outstanding under NII's commercial paper program and to repurchase or repay other indebtedness of NIL and its subsidiaries.

NII sold the Notes to the Initial Purchasers in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). The Initial Purchasers then sold the Notes to (i) qualified institutional buyers pursuant to the exemption from registration provided by Rule 144A and (ii) pursuant to Regulation S under the Securities Act. NII relied on these exemptions from registration based in part on representations made by the Initial Purchasers in the Purchase Agreement.

The Notes are governed by an indenture, dated as of December 9, 2016 (the "Indenture"), among NII, as issuer, NIL, as guarantor, Wilmington Trust, National Association, as trustee and Citibank, N.A., as securities administrator.

The Notes will bear interest at a rate of 5.5% per year payable semi-annually in arrears in cash on January 15 and July 15, beginning on July 15, 2017. The Notes will mature on January 15, 2023.

The Indenture includes covenants customary for transactions of this type that, subject to significant exceptions, limit the ability of NIL and its subsidiaries to, among other things, incur certain liens or enter into sale and leaseback transactions. In the event of a Change of Control Triggering Event (as defined in the Indenture) with respect to the Notes, the holders of the Notes may require NII to purchase all or a portion of their Notes at a purchase price equal to 101% of the principal amount of the Notes so purchased, plus accrued and unpaid interest, if any. The Notes are redeemable in whole or in part at any time at the option of NII at the redemption prices specified in the Indenture, plus accrued and unpaid interest.

The Notes will rank equal in right of payment to all of NII's other existing and future senior unsubordinated indebtedness. The Notes will rank senior in right of payment to all of NII's existing and future senior subordinated and subordinated indebtedness. NIL's guarantee of the Notes will be unsecured and will rank equal in right of payment to all of NIL's unsecured and unsubordinated indebtedness from time to time outstanding.

A copy of the Indenture is included in this Form 8-K as Exhibit 4.1 and incorporated herein by reference. The summary description of the Indenture in this report is qualified in its entirety by reference to Exhibit 4.1.

On December 9, 2016, NII, NIL, and Morgan Stanley & Co. LLC, as representative of the Initial Purchasers, entered into a registration rights agreement for the Notes (the "Registration Rights Agreement"), which requires NII and NIL to file a registration statement with the Securities and Exchange Commission to register an offer to exchange the Notes for registered notes of the same series with substantially identical terms (other than restrictions on transfer and provisions for additional interest) by October 5, 2017.

A copy of the Registration Rights Agreement is included in this Form 8-K as Exhibit 4.2 and incorporated herein by reference. The summary description of the Registration Rights Agreement in this report is qualified in its entirety by reference to Exhibit 4.2.

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Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 above regarding the issuance of the Notes is hereby incorporated by reference into this Item 2.03.

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Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
4.1	Indenture, dated as of December 9, 2016 by and among Nabors Industries, Inc., Nabors Industries Ltd., as Guarantor, Citibank, N.A., as securities administrator and Wilmington Trust, National Association, as trustee.
4.2	Registration Rights Agreement relating to the Notes, dated as of December 9, 2016 by and among Nabors Industries, Inc., as Issuer, Nabors Industries Ltd., as Guarantor and Morgan Stanley & Co. LLC, as Representative of the several initial purchasers named on Schedule A thereto.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 9, 2016

By: /s/ Mark D. Andrews
Name: Mark D. Andrews
Title: Corporate Secretary

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Exhibit Index

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4.2	Registration Rights Agreement, dated as of December 9, 2016 by and among Nabors Industries, Inc., as Issuer, Nabors Industries Ltd., as Guarantor, and Morgan Stanley & Co. LLC, as Representative of the several initial purchasers named on Schedule A thereto.

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EX-4.1 2 a16-20951_3ex4d1.htm EX-4.1

Exhibit 4.1

NABORS INDUSTRIES, INC.

as Issuer

and

NABORS INDUSTRIES LTD.

as Guarantor

and

WILMINGTON TRUST, NATIONAL ASSOCIATION

as Trustee

and

CITIBANK, N.A.

as Securities Administrator

INDENTURE

Dated as of December 9, 2016

5.5% Senior Notes due 2023

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THIS INDENTURE dated as of December 9, 2016, is among Nabors Industries, Inc., a Delaware corporation (the “Company”), Nabors Industries Ltd., a Bermuda exempted company (the “Guarantor”), Wilmington Trust, National Association, a national banking association, as trustee (the “Trustee”), and Citibank, N.A., a national banking association, as paying agent, registrar, securities custodian and authenticating agent (the “Securities Administrator”).

Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of the Holders (as defined hereinafter) of (i) \$600,000,000 in aggregate principal amount of the Company’s 5.5% Senior Notes due 2023 issued on the date hereof (the “Initial Securities”), (ii) any Additional Securities (as defined herein) issued by the Company hereafter and (iv) if and when issued in exchange for the Initial Securities or any Additional Securities as provided in a Registration Rights Agreement (as hereinafter defined), the Company’s Exchange Securities (as hereinafter defined):

ARTICLE I DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.01. *Definitions.*

“Additional Interest” means, with respect to any Securities, the additional or special interest thereon, if any, required by the Registration Rights Agreement applicable to such Securities.

“Additional Securities” means any Securities (other than the Initial Securities or the Exchange Securities) issued under this Indenture in accordance with Section 2.02, as part of the same class of debt securities as the Initial Securities to the extent then outstanding and any Exchange Securities then outstanding.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such specified Person. For purposes of this definition, “control” of a Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms “controlling” and “controlled” shall have meanings correlative to the foregoing. The Trustee may request and may conclusively rely upon an Officer’s Certificate to determine whether any Person is an Affiliate of any specified Person.

“Agent” means any Registrar or Paying Agent.

“Applicable Procedures” means, with respect to any transfer or exchange of or for beneficial interests in any Global Security or any selection of Securities for redemption, the rules and procedures of the Depository, Euroclear or Clearstream that apply to such transaction.

“Attributable Debt” means, with respect to any Sale and Lease-Back Transaction as of any particular time, the present value discounted at the rate of interest implicit in the terms of the lease of the obligations of the lessee under such lease for net rental payments during the remaining term of the lease.

“Bankruptcy Law” means Title 11, U.S. Code or any similar U.S. or State law or any similar foreign law for the relief of debtors.

“Board of Directors” of any Person means the board of directors, board of managers or other comparable governing body of such Person or any committee thereof or committee of officers duly authorized, with respect to any particular matter, to act by or on behalf of the board of directors of such Person.

“Business Day” means any day that is not a Legal Holiday.

“Capital Stock” means (i) in the case of a corporation or a company, corporate stock or shares; (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (iv) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“Clearstream” means Clearstream Banking, société anonyme or any successor securities clearing agency.

“Code” means the Internal Revenue Code of 1986, as amended, and any successor statute.

“Company” means the Person named as the “Company” in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Company” shall mean such successor Person.

“Consolidated Net Tangible Assets” means the total assets of the Guarantor and its Subsidiaries as of the most recent fiscal quarter end for which a consolidated balance sheet of the Guarantor and the Subsidiaries is available, *minus* all current liabilities (excluding the current portion of any long-term debt) of the Guarantor and the Subsidiaries reflected on such balance sheet and *minus* total goodwill and other intangible assets of the Guarantor and the Subsidiaries reflected on such balance sheet, all calculated on a consolidated basis in accordance with GAAP.

“Corporate Trust Office” means (i) with respect to the Trustee, the office at which this Indenture shall be principally administered, which office shall initially be located at the address of the Trustee specified in Section 11.02 and may be located at such other address as the Trustee may give notice to the Company in accordance with Section 11.02, the Holders and the Securities Administrator or such other address as a successor Trustee may designate from time to time by notice to the Company, the Holders and the Securities Administrator, and (ii) with respect to the Securities Administrator, the office at which this Indenture shall be principally administered, which office shall initially be located at the address of the Securities Administrator specified in Section 11.02 and may be located at such other address as the Securities Administrator may give notice to the Company in accordance with Section 11.02, the Holders and the Trustee or such other address as a successor Securities Administrator may designate from time to time by notice to the Company, the Holders and the Trustee.

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“Custodian” means any receiver, trustee, assignee, liquidator or similar official under any Bankruptcy Law.

“Default” means any event, act or condition that is, or after notice or the passage of time or both would be, an Event of Default.

“Definitive Security” means a certificated Security registered in the name of the Holder thereof and issued in accordance with Section 2.06, substantially in the form of Exhibit A hereto, except that such Security shall not bear the Global Security Legend and shall not have the “Schedule of Exchanges of Securities” attached thereto.

“Depository” means The Depository Trust Company and its successors.

“Euroclear” means Euroclear Bank NV/SA or any successor securities clearance agency.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and any successor statute.

“Exchange Offer Registration Statement” means the registration statement of the Company relating to any offer to issue Exchange Securities in exchange for Initial Securities or Additional Securities pursuant to a Registration Rights Agreement.

“Exchange Securities” means Securities issued in an exchange offer for either Initial Securities or Additional Securities in accordance with a Registration Rights Agreement.

“Exchanging Dealer” means a broker-dealer that exchanges Securities in a Registered Exchange Offer that it has acquired for its own account as a result of market making activities or other trading activities.

“Fitch” means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

“Funded Debt” means indebtedness for money borrowed which by its terms matures at, or is extendible or renewable at the option of the obligor to, a date more than twelve months after the date of creation of such indebtedness.

“GAAP” means generally accepted accounting principles in the United States of America, as in effect from time to time.

“Global Securities” means, individually and collectively, each of the Restricted Global Securities and the Unrestricted Global Securities.

“Global Security Legend” means the legend set forth in Section 2.06(g)(2) which is required to be placed on all Global Securities issued under this Indenture.

“Guarantor” means the Person named as a “Guarantor” in the first paragraph of this instrument until a successor Person shall have assumed the obligations of such Person pursuant to the applicable provisions of this Indenture, and thereafter “Guarantor” shall mean such successor Person(s).

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“Holder” means a Person in whose name a Security is registered on the Registrar’s books.

“Indenture” means this Indenture as amended or supplemented from time to time.

“Indirect Participant” means a Person who holds a beneficial interest in a Global Security through a Participant.

“Initial Purchasers” means Morgan Stanley & Co. LLC and the other initial purchasers named in the Purchase Agreement, as initial purchasers of the Initial Securities in the Offering.

“Interest Payment Date” has the meaning assigned to such term in the Securities.

“Investment Grade” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating category of Moody’s); a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P); a rating of BBB- or better by Fitch (or its equivalent under any successor rating category of Fitch); and the equivalent investment grade rating from any replacement Rating Agency or Agencies appointed by the Company or the Guarantor.

“Issue Date” means the first date on which the Securities are issued under this Indenture.

“Legal Holiday” means a Saturday, a Sunday or a day on which banking institutions in any of New York, New York, Houston, Texas or a place of payment are authorized or obligated by law, regulation or executive order to remain closed.

“Letter of Transmittal” means the letter of transmittal prepared by the Company and sent to all Holders of Initial or Additional Securities, as the case may be, for use by such Holders in connection with a Registered Exchange Offer.

“Maturity,” when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity, by declaration of acceleration, call for redemption or otherwise.

“Moody’s” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“Non-U.S. Person” means a Person who is not a U.S. Person.

“Offering” means the offering of the Initial Securities pursuant to the Offering Memorandum.

“Offering Memorandum” means the final Offering Memorandum of the Company, dated December 2, 2016, relating to the Offering.

“Officer” means the Chairman of the Board, the Chief Executive Officer, the President, any Vice Chairman of the Board, any Vice President, the Chief Financial Officer, the Chief

Accounting Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Assistant Secretary of a Person.

“Officer’s Certificate” means a certificate signed by an Officer of a Person that complies with Sections 11.04 and 11.05 of this Indenture and is delivered to the Trustee and the Securities Administrator, as applicable.

“144A Global Security” means a Global Security substantially in the form of Exhibit A hereto, bearing the Global Security Legend and the Private Placement Legend, that has the Schedule of Exchanges of Interests in the Global Security attached thereto, and that is deposited with the Securities Custodian, and registered in the name of, the Depository or its nominee, issued in a denomination equal to the outstanding principal amount of the Securities initially sold in reliance on Rule 144A.

“Opinion of Counsel” means a written opinion from legal counsel who is acceptable to the Trustee or the Securities Administrator, as applicable, and that complies with Sections 11.04 and 11.05 of this Indenture. Such counsel may be an employee of or counsel to the Company, the Guarantor, the Trustee or the Securities Administrator.

“Participant” means, with respect to the Depository, Euroclear or Clearstream, a Person who has an account with the Depository, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

“Paying Agent” means the Securities Administrator or any other Person designated as a Paying Agent in accordance with this Indenture.

“Person” means any individual, corporation, limited liability company, limited or general partnership, joint venture, incorporated or unincorporated association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof or other entity of any kind.

“Private Placement Legend” means the legend set forth in Section 2.06(g)(1)(A) which is required to be placed on all Securities issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

“Purchase Agreement” means the Purchase Agreement, dated December 2, 2016, among the Company, the Guarantor and the Initial Purchasers.

“QIB” means a “qualified institutional buyer” as defined in Rule 144A.

“Rating Agency” means each of Moody’s, S&P and Fitch; provided, that if any of Moody’s, S&P and Fitch ceases to rate the Securities or fails to make a rating of the Securities publicly available, the Company or the Guarantor shall appoint a replacement for such Rating Agency that

is a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) of the Exchange Act.

“Redemption Date,” when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

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“Redemption Price” means the price at which the Securities may be redeemed, as set forth in paragraph 4 of the form of the Securities.

“Registered Exchange Offer” means an offer to exchange Exchange Securities for either Initial Securities or Additional Securities pursuant to an Exchange Offer Registration Statement as required by a Registration Rights Agreement.

“Registrar” means the Securities Administrator.

“Registration Rights Agreement” means, with respect to the Initial Securities, the Registration Rights Agreement, dated as of the Issue Date, among the Company, the Guarantor and the Initial Purchasers, or any similar registration rights agreement with respect to Additional Securities.

“Regulation S” means Regulation S promulgated under the Securities Act, as such may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

“Regulation S Global Security” means a permanent Global Security substantially in the form of Exhibit A hereto, bearing the Global Security Legend and the Private Placement Legend, that has the Schedule of Exchanges of Interests in the Global Security attached thereto, and that is deposited with the Securities Custodian, and registered in the name of, the Depository or its nominee, issued in a denomination equal to the outstanding principal amount of the Securities initially sold in reliance on Rule 903 of Regulation S.

“Resale Restriction Termination Date” means (x), in the case of Securities sold pursuant to Rule 144A, the date which is one year (or such other date when resales of securities by non-affiliates are first permitted under Rule 144(d) without condition) after the later of the date of the original issue of the Securities or the date of any subsequent reopening of the Securities and the last date on which the Company or any of its affiliates were the owner of such Securities (or any predecessor thereto) or, in the case of Securities sold pursuant to Regulation S, 40 days or (y), in any case, such later date, if any, as may be required by applicable law.

“Responsible Officer” means, when used with respect to the Trustee or the Securities Administrator, any officer assigned by either the Trustee or the Securities Administrator, as the case may be, to administer corporate trust matters or to whom any corporate trust matter is referred because of such person’s knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

“Restricted Definitive Security” means a Definitive Security bearing the Private Placement Legend.

“Restricted Global Security” means a Regulation S Global Security or a 144A Global Security.

“Restricted Period” means the “distribution compliance period” as defined in Regulation S.

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“Rule 144” means Rule 144 promulgated under the Securities Act, as such Rule may be amended from time to time, or any similar rule (other than Rule 144A) or regulation hereafter adopted by the SEC providing for offers and sales of securities made in compliance therewith resulting in offers and sales by subsequent holders that are not affiliates of the issuer of such securities being free of the registration and prospectus delivery requirements of the Securities Act.

“Rule 144A” means Rule 144A promulgated under the Securities Act, as such Rule may be amended from time to time, or any similar rule (other than Rule 144) or regulation hereafter adopted by the SEC.

“Rule 903” means Rule 903 promulgated under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

“Rule 904” means Rule 904 promulgated under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC.

“S&P” means S&P Global Ratings, a division of S&P Global, Inc., and its successors.

“Sale and Lease-Back Transaction” means any arrangement with any Person providing for the leasing by the Guarantor or any Subsidiary of any property, whereby such property had been sold or transferred by the Guarantor or any Subsidiary to such Person.

“SEC” means the Securities and Exchange Commission.

“Securities” means the Initial Securities, the Exchange Securities and any Additional Securities issued under this Indenture. The Initial Securities, the Exchange Securities and any Additional Securities shall be treated as a single class for all purposes under this Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase and unless otherwise provided or the context otherwise requires, all references to “the Securities” shall include the Initial Securities, the Exchange Securities and any Additional Securities.

“Securities Act” means the Securities Act of 1933, as amended, and any successor statute.

“Securities Administrator” means the Person named as the “Securities Administrator” in the first paragraph of this Indenture until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Securities Administrator” shall mean the successor serving hereunder.

“Securities Custodian” means the Securities Administrator, acting as custodian on behalf of the Depository with respect to the Securities in global form, or any successor entity thereto.

“Shelf Registration Statement” means a registration statement of the Company used by a Holder in connection with its offer and sale of Securities pursuant to a Registration Rights Agreement.

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“Stated Maturity” means, with respect to any Security, the date specified in such Security as the fixed date on which the principal of such Security is due and payable.

“Subsidiary” means (1) any corporation, association or other business entity (other than a partnership, joint venture or limited liability company) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by the Guarantor or one or more of the other Subsidiaries or a combination thereof and (2) any partnership, joint venture or limited liability company of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by the Guarantor or one or more of the other Subsidiaries or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, (y) the Guarantor or any of the Subsidiaries is a controlling general partner or otherwise controls such entity and (z) such entity is consolidated in the consolidated financial statements of the Guarantor in accordance with GAAP.

“Taxes” means any tax, duty, levy, impost, assessment or other governmental charge of whatever nature imposed or levied by or on behalf of the Government of Bermuda or by an authority or agency therein or thereof having the power to tax, including any interest, penalties or other charges in respect thereof.

“TIA” or “Trust Indenture Act” means the Trust Indenture Act of 1939, as amended (15 U.S.C. Sections 77aaa-77bbbb), as in effect on the Issue Date, except as provided in Section 8.03.

“Trustee” means the Person named as the “Trustee” in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” shall mean the successor serving hereunder.

“U.S. Government Obligations” means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America for the payment of which the full faith and credit of the United States of America is pledged.

“U.S. Person” means a “U.S. person” as defined in Rule 902(k) under the Securities Act.

“Unrestricted Definitive Security” means a Definitive Security that does not bear and is not required to bear the Private Placement Legend.

“Unrestricted Global Security” means a permanent Global Security substantially in the form of Exhibit A hereto, that bears the Global Security Legend and that has the “Schedule of Exchanges of Securities” attached thereto and that is deposited with the Securities Custodian and registered in the name of the Depository or its nominee, representing Securities that do not bear the Private Placement Legend.

“Voting Stock” of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote generally in the election of the Board of Directors of such Person.

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SECTION 1.02. *Other Definitions.*

Term	Defined in Section
“Additional Amounts”	3.08
“Authorized Agent”	11.10
“Change of Control”	3.10

“Change of Control Offer”	3.10
“Change of Control Payment Date”	3.10
“Change of Control Trigger Event”	3.10
“Covenant Defeasance”	7.01(c)
“Debt”	3.07
“DTC”	2.03
“Event of Default”	5.01
“Excluded Holder”	3.08
“Guarantees”	9.01(a)
“Indenture Obligations”	9.01(a)
“Initial Securities”	Preamble
“Judgment Currency”	11.12
“mortgage” or “mortgages”	3.07
“Paying Agent”	2.03
“Registrar”	2.03
“Territory”	3.08
“Trigger Period”	3.10

SECTION 1.03. *Incorporation by Reference of Trust Indenture Act.*

Whenever this Indenture refers to a provision of the TIA, such provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

“commission” means the SEC;

“indenture securities” means the Securities;

“indenture security holder” means a Holder;

“indenture to be qualified” means this Indenture;

“indenture trustee” or “institutional trustee” means the Trustee; and

“obligor” on the indenture securities means the Company and the Guarantor.

All other terms used in this Indenture, and not otherwise defined herein, that are defined by the TIA, defined by a TIA reference to another statute or defined by an SEC rule under the TIA have the meanings so assigned to them. All references in this Indenture to “Sections” or

“Articles” are to Sections or Articles, as applicable, of this Indenture, unless otherwise expressly indicated.

SECTION 1.04. *Rules of Construction.* Unless the context otherwise requires: (1) a term has the meaning assigned to it; (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP; (3) “or” is not exclusive; (4) words in the singular include the plural, and in the plural include the singular; (5) words implying any gender shall apply to all genders; (6) the term “merger” includes a statutory compulsory share exchange and a conversion of a corporation into a limited liability company, a partnership or other entity and vice versa and (7) provisions apply to successive events and transactions.

ARTICLE II THE SECURITIES

SECTION 2.01. *Form and Dating.*

(a) *General.* The Securities, any notations thereon relating to the Guarantees and the Trustee’s certificate of authentication shall be substantially in the form of Exhibit A hereto, the terms of which are hereby incorporated into this Indenture. The Securities may have notations, legends or endorsements required by law, securities exchange rule, the Company’s certificate of incorporation, bylaws, agreements to which the Company is subject, if any, or usage, provided that any such notation, legend or endorsement is in a form acceptable to the Company. Each Security shall be dated the date of its authentication. The Securities shall be in registered form without coupons and issued only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The terms and provisions contained in the Securities shall constitute, and are hereby expressly made, a part of this Indenture and, to the extent applicable, the Company, the Guarantor, the Trustee and the Securities Administrator, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Security conflicts with the express provisions of this Indenture, the provisions of this Indenture (to the extent permitted by law) shall govern and be controlling.

(b) *Global Securities.* Securities issued in global form shall be substantially in the form of Exhibit A hereto (including the Global Security Legend thereon and the Schedule of Exchanges of Interests in the Global Security attached thereto). Securities issued in definitive form shall be substantially in the form of Exhibit A hereto (but without the Global Security Legend thereon and without the Schedule of Exchanges of Interests in the Global Security attached thereto). Each Global Security shall represent such of the outstanding Securities as shall be specified

therein, and each shall provide that it shall represent the aggregate principal amount of outstanding Securities from time to time endorsed thereon and that the aggregate principal amount of outstanding Securities represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Security to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Securities represented thereby shall be made by the Securities Custodian, in accordance with instructions given by the Holder thereof as required by Section 2.06.

(c) *Regulation S Global Securities.* Any Securities initially offered and sold in reliance on Regulation S shall be issued initially in the form of a Regulation S Global Security, which shall be deposited on behalf of the purchasers of the Securities represented thereby with the Securities Custodian, and registered in the name of the Depository or the nominee of the Depository, duly executed by the Company and authenticated by the Trustee as hereinafter provided. Prior to the expiration of the Restricted Period, any resale or transfer of beneficial interests in a Regulation S Global Security to U.S. Persons shall not be permitted unless such resale or transfer is made pursuant to Rule 144A or Regulation S.

(d) *144A Global Securities.* Any Securities initially offered and sold in reliance on Rule 144A shall be issued initially in the form of a 144A Global Security, which shall be deposited on behalf of the purchasers of the Securities represented thereby with the Securities Custodian, and registered in the name of the Depository or the nominee of the Depository, duly executed by the Company and authenticated by the Trustee as hereinafter provided.

(e) *Definitive Securities.* Notwithstanding any other provision of this Article II, any issuance of Definitive Securities shall be at the Company's discretion, except in the specific circumstances set forth in Section 2.06(a).

SECTION 2.02. *Execution and Authentication.* One Officer of the Company shall sign the Securities on behalf of the Company by manual or facsimile signature. The Company's seal may be (but shall not be required to be) impressed, affixed, imprinted or reproduced on the Securities and may be in facsimile form.

If an Officer of the Company whose signature is on this Indenture or a Security no longer holds that office at the time the Trustee authenticates such Security or at any time thereafter, the Security shall be valid nevertheless.

A Security shall not be entitled to any benefit under this Indenture or be valid or obligatory for any purpose until authenticated by the manual signature of an authorized signatory of the Trustee or an authenticating agent, as the case may be, which signature shall be conclusive evidence that the Security has been authenticated under this Indenture.

The Trustee shall authenticate and deliver: (1) on the date hereof, Initial Securities for original issue in an aggregate principal amount of \$600,000,000, (2) if and when issued, Additional Securities (which may be issued in either a registered or a private offering under the Securities Act) and (3) Exchange Securities for issue only in an exchange offer pursuant to a Registration Rights Agreement, and only in exchange for Initial Securities or Additional Securities and in an equal principal amount, in each case upon a written order of the Company signed by one Officer of the Company. Such order shall specify the amount of the Securities to be authenticated and the date on which the issue of such Securities is to be authenticated and whether the Securities are to be in global or definitive form and whether they are to bear the Private Placement Legend. The Company may issue Additional Securities under this Indenture subsequent to the Issue Date, *provided* that no Additional Securities may be issued at a price that would cause such Additional Securities to have "original issue discount" within the meaning of Section 1273 of the Code. In authenticating such Securities, the Trustee and the Securities

Administrator shall receive, and shall be entitled to conclusively rely upon, an Opinion of Counsel substantially to the effect that such Securities and the related Guarantees, when authenticated and delivered by the Trustee and issued by the Company and the Guarantor, respectively, in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company and the Guarantor, as the case may be, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

The aggregate principal amount of Securities outstanding at any time may not exceed the aggregate principal amount of Securities authorized for issuance by the Company pursuant to such written orders of the Company, except as provided in Section 2.07. Subject to the foregoing, the aggregate principal amount of Securities that may be issued under this Indenture shall not be limited.

The Trustee may appoint one or more authenticating agents acceptable to the Company to authenticate Securities. The Trustee hereby initially appoints the Securities Administrator as an authenticating agent, and both the Securities Administrator and the Company hereby accept such appointment. Unless limited by the terms of such appointment, an authenticating agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Company, the Guarantor or any of their respective Affiliates.

SECTION 2.03. *Registrar and Paying Agent.* The Company shall maintain in the continental United States an office or agency where the Securities may be presented for registration of transfer or exchange ("Registrar") and an office or agency where the Securities may be presented for payment ("Paying Agent"). The Registrar shall keep a register of the Securities and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent.

The Company shall enter into an appropriate agency agreement with any Registrar or Paying Agent not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such Agent. The Company shall notify the Trustee of the name and address of any Agent not a party to this Indenture. The Company may change any Paying Agent or Registrar without notice to any Holder. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Guarantor or any of its Subsidiaries may act as Paying Agent or Registrar.

The place of payment with respect to the Securities shall be The City of New York, and the Company hereby initially appoints the Securities Administrator as its Paying Agent in The City of New York, at its Corporate Trust Office in such city, as specified in Section 11.02, the intention of the Company being that the Securities shall at all times be payable in The City of New York.

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The immunities, protections and exculpations available to the Trustee under this Indenture shall also be available to the Securities Administrator, each Agent and each authenticating agent, and the Company's obligations under Section 6.07 to compensate and indemnify the Trustee shall extend likewise to the Securities Administrator, each Agent and each authenticating agent.

The Company initially appoints The Depository Trust Company ("DTC") to act as Depository with respect to each Global Security.

SECTION 2.04. *Paying Agent to Hold Money in Trust.* The Company shall require each Paying Agent other than the Trustee or the Securities Administrator to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of or premium, if any, Additional Amounts, if any, or interest on the Securities, whether such money shall have been paid to it by the Company or the Guarantor, and will notify the Trustee and the Securities Administrator in accordance with Section 11.02 of any default by the Company or the Guarantor in making any such payment. While any such default continues, the Trustee or the Securities Administrator may require a Paying Agent to pay all money held by it to the Trustee or the Securities Administrator and to account for any funds disbursed. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee or the Securities Administrator and to account for any funds disbursed. Upon payment over to the Trustee or the Securities Administrator and upon accounting for any funds disbursed, the Paying Agent (if other than the Company) shall have no further liability for the money. If the Company or a Subsidiary of the Company acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent.

SECTION 2.05. *Holder Lists.* The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of the Holders and shall otherwise comply with TIA Section 312(a). If the Trustee is not the Registrar, the Company shall furnish to the Trustee at least seven Business Days before each Interest Payment Date, and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders, and the Company shall otherwise comply with TIA Section 312(a).

SECTION 2.06. *Transfer and Exchange.*

(a) *Transfer and Exchange of Global Securities.* A Global Security may not be transferred as a whole except by the Depository to a nominee of the Depository, by a nominee of the Depository to the Depository or to another nominee of the Depository, or by the Depository or any such nominee to a successor Depository or a nominee of such successor Depository. Global Securities also may be exchanged or replaced, in whole, as provided in Section 2.07. Owners of beneficial interests in Global Securities shall not be entitled to receive Definitive Securities unless:

(1) the Company delivers to the Trustee and the Registrar notice from the Depository that it is unwilling or unable to continue to act as Depository or that it is

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no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depository is not appointed by the Company within 90 days; or

(2) there has occurred and is continuing an Event of Default and the Depository notifies the Trustee and the Securities Administrator of its decision to exchange the Global Securities for Definitive Securities; provided that in no event shall the Regulation S Global Security be exchanged by the Company for Definitive Securities prior to the expiration of the Restricted Period.

Upon the occurrence of any of the events in clause (1) or (2) above, Definitive Securities shall be issued in such names and authorized denominations as the Depository shall instruct the Trustee and the Registrar in accordance with the Applicable Procedures. Neither the Company, the Guarantor, the Trustee nor the Registrar will be liable for any delay by the Depository in identifying the owners of beneficial interests in a Global Security, and each of the Company, the Guarantor, the Trustee and the Registrar may conclusively rely on, and will be protected in relying on, instructions from the Depository for all purposes of this Indenture.

(b) *Transfer and Exchange of Beneficial Interests in the Global Securities.* The transfer and exchange of beneficial interests in the Global Securities shall be effected through the Depository, in accordance with the provisions of this Indenture and the Applicable Procedures. Transfers of beneficial interests in the Global Securities also shall require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following provisions of this Section 2.06, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Security.* Beneficial interests in any Restricted Global Security may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Security in accordance with the transfer restrictions set forth in the Private Placement Legend. Beneficial interests in any Unrestricted Global Security may be transferred to Persons who take delivery thereof in the form of a beneficial interest in such Unrestricted Global Security. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in the preceding sentence of this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Securities.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) (i) a written order from a Participant or an Indirect Participant given to the Depository in accordance with the Applicable Procedures directing the Depository to credit or cause to be credited a beneficial interest in another Global Security in an amount equal to the beneficial interest to be transferred or exchanged; and

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(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) (i) a written order from a Participant or an Indirect Participant given to the Depository in accordance with the Applicable Procedures directing the Depository to cause to be issued a Definitive Security in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depository to the Registrar containing information regarding the Person in whose name such Definitive Security shall be registered to effect the transfer or exchange referred to in Section 2.06(b)(2)(B) (i) above.

Upon consummation of a Registered Exchange Offer by the Company in accordance with Section 2.06(f), the requirements of this Section 2.06(b)(2) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Securities (or transmitted to the Registrar via the Depository's book-entry system). Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Securities contained in this Indenture, the Securities or otherwise applicable under the Securities Act, the principal amount of each relevant Global Security shall be adjusted pursuant to Section 2.06(h).

(3) *Transfer of Beneficial Interests to Another Restricted Global Security.* A beneficial interest in any Restricted Global Security may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Security if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Security, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Security, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Security for Beneficial Interests in the Unrestricted Global Security.* A beneficial interest in any Restricted Global Security may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Security or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) such exchange or transfer is effected pursuant to a Registered Exchange Offer in accordance with the applicable Registration Rights Agreement

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and the holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal (or via the Depository's book-entry system) that, among other things, it is not (i) a Person participating in the distribution of the Exchange Securities or (ii) an affiliate (as defined in Rule 144) of the Company and that any Exchange Securities to be acquired by such holder will be acquired in the ordinary course of its business;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with the applicable Registration Rights Agreement;

(C) such transfer is effected by an Exchanging Dealer pursuant to an Exchange Offer Registration Statement in accordance with the applicable Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Security, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Security proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Security, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and state “blue sky” laws and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Security has not yet been issued, the Company shall issue and, upon receipt of a written order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Securities in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

(5) *Exchange or Transfer Prohibited.* Beneficial interests in an Unrestricted Global Security cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Security.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Securities.*

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(1) *Beneficial Interests in Restricted Global Securities to Restricted Definitive Securities.* If any of the conditions set forth in Section 2.06(a) hereof have been met and if any holder of a beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a Restricted Definitive Security or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Security, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a Restricted Definitive Security, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof; or

(C) if such beneficial interest is being transferred to a non-U.S. Person in an offshore transaction in accordance with Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof,

then, upon satisfaction of the conditions set forth in Section 2.06(b)(2)(B), the Registrar shall cause the aggregate principal amount of the applicable Global Security to be reduced accordingly pursuant to Section 2.06(h), and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Security in the appropriate form and principal amount. Any Definitive Security issued in exchange for a beneficial interest in a Restricted Global Security pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depository and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Securities to the Persons in whose names such Securities are so registered. Any Definitive Security issued in exchange for a beneficial interest in a Restricted Global Security pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein. Notwithstanding Sections 2.06(c)(1)(A) and (C), a beneficial interest in the Regulation S Global Security may not be exchanged for a Definitive Security or transferred to a Person who takes delivery thereof in the form of a Definitive Security prior to the expiration of the Restricted Period, except in the case of a transfer pursuant to Rule 144A or Regulation S (other than a transfer pursuant to Rule 904).

(2) *Beneficial Interests in Restricted Global Securities to Unrestricted Definitive Securities.* If any of the conditions set forth in Section 2.06(a) hereof have been met and a holder of a beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for an Unrestricted Definitive Security or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Security only if:

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(A) such exchange or transfer is effected pursuant to a Registered Exchange Offer in accordance with the applicable Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal (or via the Depository’s book-entry system) that, among

other things, it is not (i) a Person participating in the distribution of the Exchange Securities or (ii) an affiliate (as defined in Rule 144) of the Company and that any Exchange Securities to be acquired by such holder will be acquired in the ordinary course of its business;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with the applicable Registration Rights Agreement;

(C) such transfer is effected by an Exchanging Dealer pursuant to an Exchange Offer Registration Statement in accordance with the applicable Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for an Unrestricted Definitive Security, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Security proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Security, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and state “blue sky” laws and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Beneficial Interests in Unrestricted Global Securities to Unrestricted Definitive Securities.* If any of the conditions set forth in Section 2.06(a) with respect to the issuance of Definitive Securities has been met and any holder of a beneficial interest in an Unrestricted Global Security proposes to exchange such beneficial interest for a Definitive Security or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Security, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2)(B), the Registrar shall cause the aggregate principal amount of the applicable Global Security to be reduced accordingly pursuant to Section 2.06(h), and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive

Security in the appropriate principal amount. Any Definitive Security issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Securities to the Persons in whose names such Securities are so registered. Any Definitive Security issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) shall not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Securities for Beneficial Interests.*

(1) *Restricted Definitive Securities to Beneficial Interests in Restricted Global Securities.* If any Holder of a Restricted Definitive Security proposes to exchange such Security for a beneficial interest in a Restricted Global Security or to transfer such Restricted Definitive Security to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Security, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Security proposes to exchange such Security for a beneficial interest in a Restricted Global Security, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Security is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof; or

(C) if such Restricted Definitive Security is being transferred to a non-U.S. Person in an offshore transaction in accordance with Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof,

the Trustee shall cancel the Restricted Definitive Security, the Registrar shall increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Security, in the case of clause (B) above, the 144A Global Security, and in the case of clause (C) above, the Regulation S Global Security.

(2) *Restricted Definitive Securities to Beneficial Interests in Unrestricted Global Securities.* A Holder of a Restricted Definitive Security may exchange such Security for a beneficial interest in an Unrestricted Global Security or transfer such Restricted Definitive Security to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security only if:

(A) such exchange or transfer is effected pursuant to a Registered Exchange Offer in accordance with applicable

Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal (or via the Depository's book-entry system) that, among other things, it is not (i) a Person participating in the

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distribution of the Exchange Securities or (ii) an affiliate (as defined in Rule 144) of the Company and that any Exchange Securities to be acquired by such holder will be acquired in the ordinary course of its business;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with the applicable Registration Rights Agreement;

(C) such transfer is effected by an Exchanging Dealer pursuant to an Exchange Offer Registration Statement in accordance with the applicable Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Definitive Securities proposes to exchange such Securities for a beneficial interest in the Unrestricted Global Security, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Securities proposes to transfer such Securities to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Security, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and state "blue sky" laws and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee shall cancel the Definitive Securities and the Registrar shall increase or cause to be increased the aggregate principal amount of the Unrestricted Global Security.

(3) *Unrestricted Definitive Securities to Beneficial Interests in Unrestricted Global Securities.* A Holder of an Unrestricted Definitive Security may exchange such Security for a beneficial interest in an Unrestricted Global Security or transfer such Definitive Security to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Security and the Registrar shall increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Securities.

If any such exchange or transfer from a Definitive Security to a beneficial interest in an Unrestricted Global Security is effected at a time when an Unrestricted Global Security has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global

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Securities in an aggregate principal amount equal to the principal amount of Definitive Securities so transferred.

(e) *Transfer and Exchange of Definitive Securities for Definitive Securities.* Upon request by a Holder of Definitive Securities and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar shall register the transfer or exchange of Definitive Securities. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Securities duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Securities to Restricted Definitive Securities.* Any Restricted Definitive Security may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Security if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications required by item (3) thereof.

(2) *Restricted Definitive Securities to Unrestricted Definitive Securities.* Any Restricted Definitive Security may be exchanged by the Holder thereof for an Unrestricted Definitive Security or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Security if:

(A) such exchange or transfer is effected pursuant to a Registered Exchange Offer in accordance with the applicable Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal (or via the Depositary's book-entry system) that, among other things, it is not (i) a Person participating in the distribution of the Exchange Securities or (ii) a Person who is an affiliate (as defined in Rule 144) of the Company and that any Exchange Securities to be acquired by such holder will be acquired in the ordinary course of its business;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with the applicable Registration Rights Agreement;

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(C) any such transfer is effected by an Exchanging Dealer pursuant to an Exchange Offer Registration Statement in accordance with the applicable Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Securities proposes to exchange such Securities for an Unrestricted Definitive Security, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Security proposes to transfer such Securities to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Security, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and state "blue sky" laws and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Securities to Unrestricted Definitive Securities.* A Holder of Unrestricted Definitive Securities may transfer such Securities to a Person who takes delivery thereof in the form of an Unrestricted Definitive Security. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Security pursuant to the instructions from the Holder thereof.

(f) *Registered Exchange Offer.* Upon the occurrence of a Registered Exchange Offer in accordance with the applicable Registration Rights Agreement, the Company shall issue and, upon receipt of a written order in accordance with Section 2.02, the Trustee shall authenticate:

(1) one or more Unrestricted Global Securities in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Securities tendered for acceptance by Persons that certify in the applicable Letters of Transmittal (or via the Depositary's book-entry system), among other things, that (A) any Exchange Securities to be acquired by such Persons will be acquired in the ordinary course of business, (B) they are not participating in a distribution of the Exchange Securities and (C) they are not affiliates (as defined in Rule 144) of the Company, and accepted for exchange in the Registered Exchange Offer; and

(2) Unrestricted Definitive Securities in an aggregate principal amount equal to the principal amount of any Restricted Definitive Securities accepted for exchange in the Registered Exchange Offer.

Concurrently with the issuance of such Securities, the Registrar shall cause the aggregate principal amount of the applicable Restricted Global Securities to be reduced accordingly, and

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the Company shall execute and the Trustee shall authenticate, and deliver to the Persons designated by the Holders of any Definitive Securities so accepted, Unrestricted Definitive Securities in the appropriate principal amount.

(g) *Legends.* The following legends shall appear on the face of all Global Securities and Definitive Securities issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend.

(A) Except as permitted by subparagraph (B) below or as otherwise agreed between the Company and the Holder,

each Global Security and each Definitive Security (and all Securities issued in exchange therefor or substitution thereof) shall bear a legend, until the Resale Restriction Termination Date, in substantially the following form:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”)), OR (B) IT IS A NON-U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, PURSUANT TO RULE 904 OF REGULATION S, AND (2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE RESALE RESTRICTION TERMINATION DATE, ONLY (A) TO NABORS INDUSTRIES LTD. OR ANY OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF

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REGULATION S UNDER THE SECURITIES ACT, PURSUANT TO RULE 904 OF REGULATION S, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE, THE SECURITIES LAWS OF ANY OTHER JURISDICTION, INCLUDING ANY STATE OF THE UNITED STATES, SUBJECT TO THE COMPANY’S AND THE TRUSTEE’S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL SATISFACTORY TO EACH OF THEM AND/OR A CERTIFICATE OF TRANSFER OR EXCHANGE IN THE FORM PRESCRIBED IN THE INDENTURE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

BY ITS ACQUISITION AND HOLDING OF THIS SECURITY THE HOLDER THEREOF WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT EITHER (I) IT IS NOT AND WILL NOT BE FOR SO LONG AS IT HOLDS ANY SECURITY (OR INTEREST IN A SECURITY) AN EMPLOYEE BENEFIT PLAN OR ARRANGEMENT SUBJECT TO THE FIDUCIARY RESPONSIBILITY REQUIREMENT OF TITLE I OF U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), A “PLAN” OR ARRANGEMENT SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE “CODE”), OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH EMPLOYEE BENEFIT PLAN OR PLAN’S INVESTMENT IN THE ENTITY, OR A GOVERNMENTAL, NON-U.S., CHURCH OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE (“SIMILAR LAWS”), OR (II) THE PURCHASE, HOLDING AND DISPOSITION OF THIS SECURITY WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR, IN THE CASE OF A GOVERNMENTAL, NON-U.S., CHURCH OR OTHER PLAN, A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS.

(B) Notwithstanding the foregoing, any Global Security or Definitive Security issued pursuant to subparagraph (b) (4), (c)(2), (c)(3), (d)(2), (d)(3), (e)(2), (e)(3) or (f) of this Section 2.06 (and all Securities issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(2) *Global Security Legend.* Each Global Security shall bear a legend in substantially the following form:

THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR

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ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE REGISTRAR MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE AND (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE

DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

(h) *Cancellation and/or Adjustment of Global Securities.* At such time as all beneficial interests in a particular Global Security have been exchanged for Definitive Securities or a particular Global Security has been redeemed, repurchased or canceled, in each case, in whole and not in part, each such Global Security shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11. At any time prior to such cancellation, if any beneficial interest in a Global Security is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Security or for Definitive Securities, the principal amount of Securities represented by such Global Security shall be reduced accordingly and an endorsement shall be made on such Global Security by the Trustee or by the Securities Custodian at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Security, such other Global Security

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shall be increased accordingly and an endorsement shall be made on such Global Security by the Trustee or by the Securities Custodian at the direction of the Trustee to reflect such increase.

(i) *General Provisions Relating to Transfers and Exchanges.*

(1) To permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate or cause to be authenticated Global Securities and Definitive Securities upon the Company’s order or at the Registrar’s request.

(2) No service charge shall be made to a holder of a beneficial interest in a Global Security or to a Holder of a Definitive Security for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge or other fee required by law and payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 8.05 and 10.06).

(3) All Global Securities and Definitive Securities issued upon any registration of transfer or exchange of Global Securities or Definitive Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Securities or Definitive Securities surrendered upon such registration of transfer or exchange.

(4) None of the Company, the Trustee or the Registrar shall be required (A) to issue, to register the transfer of or to exchange any Securities during a period beginning at the opening of business 15 days before the day of sending of a notice of redemption under Section 10.03 and ending at the close of business on such day or (B) to register the transfer of or to exchange any Securities so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

(5) Prior to the due presentation for registration of transfer of any Security, the Company, the Guarantor, the Trustee, the Paying Agent or the Registrar may deem and treat the Person in whose name a Security is registered as the absolute owner of such Security for the purpose of receiving any payment on such Security and for all other purposes whatsoever, whether or not such Security is overdue, and none of the Company, the Guarantor, the Trustee, the Paying Agent or the Registrar shall be affected by notice to the contrary.

(6) The Trustee shall authenticate or cause to be authenticated Global Securities and Definitive Securities upon receipt of a written order of the Company signed by one of its Officers and in accordance with the other provisions of Section 2.02 to the extent applicable.

(7) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

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(8) The Trustee and the Securities Administrator shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Global Security or Definitive Security other than to require delivery of such certificates and other documentation or evidence as is expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to conformity with the express requirements hereof.

(9) None of the Trustee, the Securities Administrator, or any Agent shall have any responsibility for any actions taken or not taken by the Depository.

SECTION 2.07. *Replacement Securities.* If a mutilated Security is surrendered to the Registrar or if the Holder of a Security claims that the Security has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall authenticate a replacement Security if the requirements of Section 8-405 of the Uniform Commercial Code are met, such that the Holder (a) satisfies the Company or the Trustee within a reasonable time after such Holder has notice of such loss, destruction or wrongful taking and the Registrar does not register a transfer prior to receiving such notification, (b) makes such request to the Company or Trustee prior to the Security being acquired by a protected purchaser as defined in Section 8-303 of the Uniform Commercial Code (a “protected purchaser”) and (c) satisfies any other reasonable requirements of the Trustee. Such Holder must furnish an indemnity bond that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent or any authenticating agent from any loss which any of them may suffer if a Security is replaced. The Company and the Trustee may charge for their expenses in replacing a Security. If, after the delivery of such replacement Security, a protected purchaser of the original Security in lieu of which such replacement Security was issued presents for payment or registration such original Security, the Trustee shall be entitled to recover such replacement Security from the Person to whom it was delivered or any Person taking therefrom, except a protected purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Trustee or the Company in connection therewith. Every replacement Security is a contractual obligation of the Company.

In case any such mutilated, destroyed, lost or wrongfully taken Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or wrongfully taken Securities.

SECTION 2.08. *Outstanding Securities.* The Securities outstanding at any time are all the Securities authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Security effected by the Registrar hereunder and those described in this Section 2.08 as not outstanding; provided, however, that in determining whether the Holders of the requisite principal amount of outstanding Securities are present at a meeting of Holders of Securities for quorum purposes or have consented to or voted

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in favor of any request, demand, authorization, direction, notice, consent, waiver, amendment or modification hereunder, Securities held for the account of the Company or any of its Affiliates shall be disregarded and deemed not to be outstanding, except that in determining whether the Trustee shall be protected in making such a determination or relying upon any such quorum, consent or vote, only Securities which a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded.

If a Security is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Security is held by a protected purchaser.

If the principal amount of any Security is considered paid under Section 3.01, it ceases to be outstanding and interest on it ceases to accrue.

SECTION 2.09. [Reserved.]

SECTION 2.10. *Temporary Securities.* Until Definitive Securities are ready for delivery, the Company may prepare and the Trustee shall authenticate or cause to be authenticated temporary Securities. Temporary Securities shall be substantially in the form of Definitive Securities, but may have variations that the Company considers appropriate for temporary Securities. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate Definitive Securities in exchange for temporary Securities. Until so exchanged, temporary Securities shall in all respects be entitled to the same benefits under this Indenture as Definitive Securities.

SECTION 2.11. *Cancellation.* The Company or the Guarantor at any time may deliver Securities to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Securities surrendered to them for registration of transfer, exchange or payment. The Trustee shall cancel all Securities surrendered for registration of transfer, exchange, payment, replacement or cancellation. All canceled Securities held by the Trustee shall be disposed of in accordance with the usual disposal procedures of the Trustee. The Company may not issue new Securities to replace Securities that have been paid or that have been delivered to the Trustee for cancellation.

SECTION 2.12. *Defaulted Interest.* If the Company defaults in a payment of interest on the Securities, it shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest on the defaulted interest, in each case at the rate provided in the Securities and in the manner provided in Section 3.01. The Company may pay the defaulted interest to the Persons who are Holders on a subsequent special record date. At least 15 days before any special record date, the Company (or the Trustee, in the name of and at the expense of the Company) shall send to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

SECTION 2.13. *Persons Deemed Owners.* The Company, the Guarantor, the Trustee, any Agent and any authenticating agent may treat the Person in whose name any Security is registered as the owner of such Security for the purpose of receiving payments of principal or of premium, if any, Additional Amounts, if any, or interest on such Security and for all other

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purposes. None of the Company, the Guarantor, the Trustee, the Securities Administrator, any Agent or any authenticating agent shall be affected by any notice to the contrary.

SECTION 2.14. *CUSIP Numbers.* The Company in issuing the Securities may use “CUSIP,” “ISIN” or similar numbers (if then generally in use), and, if so, the Trustee shall use such numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee in accordance with Section 11.02 of any change in any such number.

ARTICLE III COVENANTS

SECTION 3.01. *Payment of Securities.* The Company shall pay the principal of and premium, if any, Additional Amounts, if any, and interest on the Securities on the dates and in the manner provided in the Securities, this Indenture and, in the case of any Additional Interest, the applicable Registration Rights Agreement. Principal, premium, if any, Additional Amounts, if any, and interest shall be considered paid on the date due if the Paying Agent, other than the Company or a Subsidiary of the Company, holds by 11:00 a.m., Eastern time, on that date money deposited by or on behalf of the Company designated for and sufficient to pay all principal, premium, if any, Additional Amounts, if any, Additional Interest, if any, and interest then due.

Further, to the extent lawful, the Company shall pay interest on overdue principal, premium, if any, Additional Amounts, if any, and interest (without regard to any applicable grace period), from time to time on demand at the rate then in effect on the Securities.

All references in this Indenture, the Securities or the Guarantees to “interest” shall be deemed to include Additional Interest unless the context otherwise requires. The Company shall give the Trustee and the Securities Administrator advance notice in accordance with Section 11.02 of the amount of any Additional Interest that may be payable with respect to the Securities.

SECTION 3.02. *Maintenance of Office or Agency.* So long as any of the Securities shall remain outstanding, the Company will, in accordance with Section 2.03, maintain an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, or the Registrar) in the continental United States where the Securities may be surrendered for exchange or registration of transfer as provided in this Indenture, where notices and demands to or upon the Company in respect to the Securities may be served, and where the Securities may be presented or surrendered for payment. The Company may also from time to time designate one or more other offices or agencies in the continental United States where Securities may be presented or surrendered for any and all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation under Section 2.03 to maintain an office or agency in The City of New York where any Securities may be presented or surrendered for payment. The Company will

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give to the Trustee and the Securities Administrator prompt notice in accordance with Section 11.02 of the location of any such office or agency and of any change of location thereof. In case the Company shall fail to maintain any such office or agency or shall fail to give such notice of the location or of any change in the location thereof, such surrenders, presentations and demands may be made and notices may be served at the office of the Securities Administrator indicated in Section 11.02, and the Company hereby appoints the Securities Administrator its agent to receive at the aforesaid office all such surrenders, presentations, notices and demands.

SECTION 3.03. *SEC Reports; Financial Statements.*

(a) The Guarantor covenants and agrees, so long as any Securities are outstanding, to file with the Trustee copies, within 15 days after the Guarantor is required to file the same with the SEC, of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may from time to time by rules and regulations prescribe) which the Guarantor may be required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Guarantor is not required to file information, documents or reports pursuant to either of such sections, then to file with the Trustee and the SEC, in accordance with rules and regulations prescribed from time to time by the SEC, such of the supplementary and periodic information, documents and reports, if any, which may be required pursuant to Section 13 of the Exchange Act, in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations. Delivery of such reports, information and documents to the Trustee is for informational purposes only, and the Trustee’s receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company’s or the Guarantor’s compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer’s Certificates).

(b) Notwithstanding the foregoing, the Guarantor will be deemed to have furnished the reports referred to in Section 3.03 (a) to the Trustee and the holders of the Securities if (i) the Guarantor or any direct or indirect parent of the Guarantor has filed such reports with the SEC via the EDGAR (or successor) filing system within the applicable time periods after giving effect to any extensions permitted by the SEC and such reports are publicly available or (ii) with respect to the holders of the Securities only, the Guarantor or such parent entity has made such reports available electronically and has notified the holders of the Securities of such (including by posting to a non-public, password-protected website) pursuant to this Section 3.03.

(c) At any time when neither the Guarantor nor the Company is subject to Section 13 or 15(d) of the Exchange Act and the Securities are not freely transferable under the Securities Act, upon the request of a Holder, the Guarantor and the Company will promptly furnish or cause to be furnished the information specified under Rule 144A(d)(4) of the Securities Act to such Holder, or to a prospective purchaser of a

Security designed by such Holder, in order to permit compliance with Rule 144A.

SECTION 3.04. *Compliance Certificate.* The Company and the Guarantor shall deliver to the Trustee, within 120 days after the end of each fiscal year of the Company, an Officer's Certificate complying with TIA Section 314(a)(4) and stating that in the course of performance by the signing Officer of his duties as such Officer, he would normally obtain knowledge of the

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keeping, observing, performing and fulfilling by the Company and the Guarantor, respectively, of their obligations under this Indenture, and further stating, as to the Officer signing such statement, that to the best of his knowledge, each of the Company and the Guarantor has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions hereof (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which such Officer may have knowledge and what action the Company or the Guarantor, as the case may be, are taking or proposes to take with respect thereto).

SECTION 3.05. *Corporate Existence.* Subject to Article IV, each of the Company and the Guarantor will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, under the laws of its jurisdiction of incorporation or formation.

SECTION 3.06. *Waiver of Stay, Extension or Usury Laws.* Each of the Company and the Guarantor covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law, which would prohibit or forgive the Company or the Guarantor from paying all or any portion of the principal of or premium, if any, Additional Amounts, if any, or interest on the Securities as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Indenture; and (to the extent that they may lawfully do so) each of the Company and the Guarantor hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

SECTION 3.07. *Limitation on Liens.* So long as any Securities are outstanding, the Guarantor will not, nor will it permit any Subsidiary to, issue, assume, guarantee or suffer to exist any debt for money borrowed ("Debt") if such Debt is secured by a mortgage, pledge, security interest or lien (a "mortgage" or "mortgages") upon any properties of the Guarantor or any Subsidiary or upon any securities or indebtedness of any Subsidiary (whether such properties, securities or indebtedness is now owned or hereafter acquired) without in any such case effectively providing that the Securities shall be secured equally and ratably with (or prior to) such Debt, except that the foregoing restrictions shall not apply to:

(a) mortgages on any property acquired, constructed or improved by the Guarantor or any Subsidiary (or mortgages on the securities of a special purpose Subsidiary which holds no material assets other than the property being acquired, constructed or improved) after the date of this Indenture which are created within 360 days after such acquisition (or in the case of property constructed or improved, after the completion and commencement of commercial operation of such property, whichever is later) to secure or provide for the payment of the purchase price or cost thereof; provided that in the case of such construction or improvement the mortgages shall not apply to any property owned by the Guarantor or any Subsidiary before such construction or improvement other than (1) unimproved real property on which the property so constructed, or the improvement, is located or (2) personal property which is so improved;

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(b) mortgages existing on the Issue Date, existing mortgages on property acquired (including mortgages on any property acquired from a Person which is consolidated with or merged with or into the Guarantor or a Subsidiary) or mortgages outstanding at the time any corporation, partnership or other entity becomes a Subsidiary; provided that such mortgages shall only apply to property owned by such corporation, partnership or other entity at the time it becomes a Subsidiary or that is acquired thereafter other than from the Guarantor or another Subsidiary;

(c) mortgages in favor of the Guarantor or any Subsidiary;

(d) mortgages in favor of domestic or foreign governmental bodies to secure advances or other payments pursuant to any contract or statute or to secure indebtedness incurred to finance the purchase price or cost of constructing or improving the property subject to such mortgages, including mortgages to secure Debt of the pollution control or industrial revenue bond type;

(e) mortgages consisting of pledges or deposits by the Guarantor or any Subsidiary under workers' compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Debt) or leases to which the Guarantor or any Subsidiary is a party, or deposits to secure public or statutory obligations of the Guarantor or any Subsidiary or deposits of cash or United States government bonds to secure surety or appeal bonds to which it is a party, or deposits as security for contested taxes or import or customs duties or for the payment of rent, in each case incurred in the ordinary course of business;

(f) mortgages imposed by law, including carriers', warehousemen's, repairman's, landlords' and mechanics' liens, in each case for sums not yet due or being contested in good faith by appropriate proceedings if a reserve or other appropriate provisions, if any, as shall be required by GAAP shall have been made in respect thereof;

(g) mortgages for taxes, assessments or other governmental charges that are not yet delinquent or which are being contested in good faith by appropriate proceedings provided appropriate reserves required pursuant to GAAP have been made in respect thereof;

(h) mortgages in favor of issuers of surety or performance bonds or letters of credit or bankers' acceptances issued pursuant to the request of and for the account of the Guarantor or any Subsidiary in the ordinary course of its business;

(i) mortgages consisting of encumbrances, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or mortgages consisting of zoning or other restrictions as to the use of real properties or mortgages incidental to the conduct of the business of the Guarantor or a Subsidiary or to the ownership of its properties which do not materially adversely affect the value of said properties or materially impair their use in the operation of the business of the Guarantor or a Subsidiary;

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(j) mortgages arising by virtue of any statutory or common law provisions relating to bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository institution; provided that:

(i) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Guarantor or any Subsidiary in excess of those set forth by regulations promulgated by the Federal Reserve Board; and

(ii) such deposit account is not intended by the Guarantor or any Subsidiary to provide collateral to the depository institution;

(k) mortgages arising from Uniform Commercial Code financing statement filings regarding operating leases the Guarantor and its Subsidiaries enter into in the ordinary course of business;

(l) any mortgage over goods (or any documents relating thereto) arising either in favor of a bank issuing a form of documentary credit in connection with the purchase of such goods or by way of retention of title by the supplier of such goods where such goods are supplied on credit, subject to such retention of title, and in both cases where such goods are acquired in the ordinary course of business;

(m) any mortgage pursuant to any order of attachment, execution, enforcement, distraint or similar legal process arising in connection with court proceedings; provided that such process is effectively stayed, discharged or otherwise set aside within 30 days;

(n) any lease, sublease and sublicense granted to any third party constituting a mortgage and any mortgage pursuant to farm-in and farm-out agreements, operating agreements, development agreements and any other similar arrangements, which are customary in the oil and gas industry or in the ordinary course of business of the Guarantor or any Subsidiary; or

(o) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any mortgage referred to in the foregoing clauses (a) through (n), inclusive; provided that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the mortgage so extended, renewed or replaced (plus improvements in such property).

In addition to the foregoing, the Guarantor and any Subsidiary may, without securing the Securities, issue, assume or guarantee secured Debt that, with certain other Debt described in the following sentence, does not exceed 10% of Consolidated Net Tangible Assets. The other Debt to be aggregated for purposes of this exception is all Attributable Debt in respect of Sale and Lease-Back Transactions of the Guarantor and its Subsidiaries under the exception in clause (e)(2) of Section 3.09 existing at such time.

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SECTION 3.08. *Payment of Additional Amounts.* Unless otherwise required by Bermudan law, neither the Company nor the Guarantor will deduct or withhold from payments made with respect to the Securities and the Guarantees on account of any present or future Taxes. In the event that either the Company or the Guarantor is required to withhold or deduct on account of any Taxes due from any payment made under or with respect to the Securities or the Guarantees, as the case may be, the Company or the Guarantor, as the case may be, will pay such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by each Holder of Securities will equal the amount that the Holder would have received if the Taxes had not been required to be withheld or deducted; provided that no Additional Amounts will be payable with respect to a payment made to a Holder (an "Excluded Holder") to the extent: (i) that any Taxes would not have been so imposed but for the existence of any present or former connection between the Holder and Bermuda, other than the mere receipt of the payment, acquisition, ownership or disposition of such Securities or the exercise or enforcement of rights under the Securities, the Guarantees or this Indenture; (ii) of any estate, inheritance, gift, sales, transfer or personal property Taxes imposed with respect to the Securities or any other Taxes payable other than by withholding or deduction, except as described below or as otherwise provided in this Indenture; (iii) that any such Taxes would not have been imposed but for the presentation of the Securities, where presentation is required, for payment on a date more than 30 days after the date on which the payment became due and payable or the date on which payment thereof is duly provided for, whichever is later, except to the extent that the beneficiary or Holder thereof would have been entitled to Additional Amounts had the Securities been presented for payment on any date during such 30-day period; or (iv) that the Holder would not be liable or subject to such withholding or deduction of Taxes but for the

failure to make a valid declaration of non-residence or other similar claim for exemption, if: (a) the making of the declaration or claim is required or imposed by statute, treaty, regulation, ruling or administrative practice of the relevant taxing authority as a precondition to an exemption from, or reduction in, the relevant Taxes; and (b) at least 60 days prior to the first payment with respect to which the Company or the Guarantor shall apply this clause (iv), the Company or the Guarantor shall have notified all Holders of the Securities in writing that they shall be required to provide this declaration or claim. The Company and the Guarantor shall also (i) withhold or deduct such Taxes as required; (ii) remit the full amount of Taxes deducted or withheld to the relevant taxing authority in accordance with all applicable laws; (iii) use reasonable efforts to obtain from each relevant taxing authority imposing the Taxes certified copies of tax receipts evidencing the payment of any Taxes deducted or withheld; and (iv) upon request, make available to the Holders of the Securities, within 60 days after the date the payment of any Taxes deducted or withheld is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the Company or the Guarantor and, notwithstanding the Company's or the Guarantor's efforts to obtain the receipts, if the same are not obtainable, other evidence of such payments.

In addition, the Company or the Guarantor will pay any stamp, issue, registration, documentary or other similar taxes and duties, including interest, penalties and additional amounts with respect thereto, payable in Bermuda or the United States, or any political subdivision or taxing authority of or in the foregoing with respect to the creation, issue, offering, enforcement, redemption or retirement of the Securities or Guarantees.

At least 30 days prior to each date on which any payment under or with respect to the Securities is due and payable, if the Company or the Guarantor becomes obligated to pay

Additional Amounts with respect to such payment, the Company (or in respect of the Guarantees, the Guarantor) shall deliver to the Trustee and the Securities Administrator an Officer's Certificate stating the fact that such Additional Amounts will be payable, and the amounts so payable and will set forth such other information as is necessary to enable the Trustee or the Paying Agent to pay such Additional Amounts to the Holders on the payment date. Whenever in this Indenture there is mentioned, in any context, the payment of principal of and premium, if any, Additional Amounts, if any, or interest (including defaulted interest) or any other amount payable on or with respect to any of the Securities, such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this Section 3.08 to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of this Section 3.08 and express mention of the payment of Additional Amounts in those provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made (if applicable).

If payments with respect of the Securities or the Guarantees become subject generally to the taxing jurisdiction of any Territory or any political subdivision or taxing authority thereof or therein having power to tax, other than or in addition to Bermuda or the United States or any political subdivision or taxing authority therein or thereof having power to tax, immediately upon becoming aware thereof the Company shall notify the Trustee and the Securities Administrator in writing of such event, and thereupon the Company or the Guarantor, as the case may be, shall be obligated to pay Additional Amounts in respect thereof on terms corresponding to the terms of the foregoing provisions of this Section 3.08 with the substitution for (or, as the case may be, in addition to) the references herein to Bermuda or any political subdivision or authority therein or thereof having power to tax of references to that other or additional Territory or any political subdivision or authority therein or thereof having power to tax to whose taxing jurisdiction such payments shall have become subject as aforesaid. The term "Territory" means for this purpose any jurisdiction in which the Company or the Guarantor, as the case may be, is incorporated or in which it has its place of central management or central control.

The obligations of the Company and the Guarantor under this Section 3.08 shall survive the termination of this Indenture and the payment of all amounts under or with respect to this Indenture and the Securities.

SECTION 3.09. *Limitations on Sale and Lease-Back Transactions.* So long as any Securities are outstanding, the Guarantor will not, nor will it permit any Subsidiary to, enter into any Sale and Lease-Back Transaction, other than any Sale and Lease-Back Transaction:

- (a) entered into within 360 days of the later of the acquisition or placing into service of the property subject thereto by the Guarantor or such Subsidiary;
- (b) involving a lease of less than five years;
- (c) entered into in connection with an industrial revenue bond or pollution control financing;
- (d) between the Guarantor and/or one or more Subsidiaries;

(e) as to which the Guarantor or such Subsidiary would be entitled to incur Debt secured by a mortgage on the property to be leased in an amount equal to the Attributable Debt with respect to such Sale and Lease-Back Transaction without equally and ratably securing the Securities (1) under clauses (a) through (n) of Section 3.07 or (2) under the last paragraph of Section 3.07; or

(f) as to which the Guarantor will apply an amount equal to the net proceeds from the sale of the property so leased to (1) the retirement (other than any mandatory retirement), within 360 days of the effective date of any such Sale and Lease-Back Transaction, of Securities or of Funded Debt of the Guarantor or a Subsidiary or (2) the purchase or construction of other property, provided that such property is owned by the Guarantor or a Subsidiary free and clear of all mortgages.

SECTION 3.10. *Change of Control Offer.* Upon the occurrence of a Change of Control Triggering Event, each Holder shall have the right to require the Company to purchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of the Holder's Securities at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, up to, but excluding, the date of purchase; provided, however, that if such date of purchase is after the taking of a record of the Holders on a record date and on or prior to the related Interest Payment Date, the accrued and unpaid interest shall be payable to the Person in whose name the repurchased Securities are registered on such record date. Notwithstanding the foregoing, the Company shall have no obligation to repurchase any Securities pursuant to this Section 3.10 to the extent that the Company shall have exercised its right to redeem the Securities pursuant to Section 10.07.

For purposes of this Section 3.10, the term "Change of Control" means the occurrence of any one of the following:

- (a) the sale, lease, transfer, conveyance or other disposition (other than by way of merger, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Guarantor and the Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than to the Guarantor or one or more of the Subsidiaries or a combination thereof or a Person controlled by the Guarantor or one or more of the Subsidiaries or a combination thereof; or
- (b) the consummation of any transaction (including without limitation, any merger, amalgamation or consolidation) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) (other than any Subsidiary) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Guarantor, measured by voting power rather than number of shares (excluding a redomestication of the Guarantor).

Notwithstanding the foregoing, a transaction shall not be deemed to involve a "Change of Control" under clause (b) above if (i) the Guarantor becomes a direct or indirect wholly owned Subsidiary of a holding company and (ii)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following such transaction are substantially the same as the holders of the Voting Stock of the Guarantor immediately prior to such transaction or (B)

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immediately following such transaction no "person" (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of such holding company, measured by voting power rather than number of shares.

For purposes of this Section 3.10, the term "Change of Control Triggering Event" means the ratings of the Securities are lowered by at least two of the three Rating Agencies and the Securities cease to be rated Investment Grade by at least two of the three Rating Agencies in any case on any date during the period (the "Trigger Period") commencing on the date of the first public announcement by the Guarantor of any Change of Control (or pending Change of Control) and ending 60 days following consummation of such Change of Control (which 60-day period will be extended for so long as the rating of the Securities is under publicly announced consideration for a possible downgrade as a result of the Change of Control by any of the Rating Agencies). Notwithstanding the foregoing, no Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

Within 60 days following the date upon which the Change of Control Triggering Event has occurred, or at the Company's option, prior to any Change of Control but after the public announcement of the transaction that constitutes or may constitute the Change of Control, except to the extent that the Company shall have exercised its right to redeem the Securities pursuant to Section 10.07, the Company shall send a notice (a "Change of Control Offer") to each Holder with a copy to the Trustee and the Securities Administrator, which notice will govern the terms of the Change of Control Offer, stating:

- (1) that a Change of Control Triggering Event has occurred and that such Holder has the right to require the Company to purchase such Holder's Securities at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on a record date to receive interest on the relevant Interest Payment Date as provided in the first paragraph of this Section 3.10);
- (2) the circumstances regarding such Change of Control Triggering Event;
- (3) the purchase date (which shall be (i) no earlier than 30 days nor later than 60 days from the date such notice is sent, if sent after consummation of the Change of Control and (ii) on the date of the Change of Control, if such notice is sent prior to consummation of the Change of Control, in each case, other than as may be required by law) (such date, the "Change of Control Payment Date"); and
- (4) the instructions that a Holder must follow in order to have its Securities purchased.

Holders electing to have Securities purchased pursuant to a Change of Control Offer must surrender their Securities, with the form entitled "Option of Holder to Elect Purchase" on the

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reverse of the Security completed, to the Paying Agent at the address specified in the notice, or transfer their Securities to the Paying Agent by book-entry transfer pursuant to the Applicable Procedures, prior to the close of business on the third Business Day prior to the Change of Control

Payment Date.

On the Change of Control Payment Date, all Securities purchased by the Company under this Section shall be delivered to the Trustee for cancellation, and the Company shall pay the purchase price plus accrued and unpaid interest to the Holders entitled thereto.

The Company may make a Change of Control Offer in advance of a Change of Control and the Change of Control Payment Date, and its Change of Control Offer may be conditioned upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer.

The Company shall have no obligation to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements of this Section 3.10 for such an offer made by the Company, and such third party purchases all Securities properly tendered and not withdrawn under its offer.

The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Securities pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with this Section 3.10, the Company shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations by virtue thereof.

ARTICLE IV CONSOLIDATION, MERGER AND SALE

SECTION 4.01. *Limitation on Mergers and Consolidations.* The Company shall not consolidate or amalgamate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person unless:

- (i) the Person formed by such consolidation or amalgamation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Company substantially as an entirety shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of and interest on all the Securities and the performance of every covenant of this Indenture on the part of the Company to be performed;
- (ii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and
- (iii) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, amalgamation,

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merger, conveyance, transfer or lease and such supplemental indenture comply with this Article IV and that all conditions precedent herein provided for relating to such transaction have been complied with.

The Guarantor shall not consolidate or amalgamate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person unless:

- (i) the Person formed by such consolidation or amalgamation or into which the Guarantor is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Guarantor substantially as an entirety shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of all obligations in respect of the Guarantees and the performance of every covenant of this Indenture on the part of the Guarantor to be performed;
- (ii) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and
- (iii) the Guarantor has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, amalgamation, merger, conveyance, transfer or lease and such supplemental indenture comply with this Article IV and that all conditions precedent herein provided for relating to such transaction have been complied with.

SECTION 4.02. *Successors Substituted.* Upon any consolidation or amalgamation of the Company or the Guarantor with, or merger of the Company or the Guarantor into, any other Person, or any conveyance, transfer or lease of the properties and assets of the Company or the Guarantor substantially as an entirety in accordance with Section 4.01, the successor Person formed by such consolidation or amalgamation or into which the Company or the Guarantor is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company or the Guarantor, as the case may be, under this Indenture with the same effect as if such successor Person had been named as the Company or the Guarantor, as the case may be, herein, and thereafter, except in the case of a lease to another Person, the predecessor Person shall be relieved of all obligations and covenants under this Indenture, the Securities and the Guarantees, as applicable.

ARTICLE V

DEFAULTS AND REMEDIES

SECTION 5.01. *Events of Default.* “Event of Default” means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

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- (i) default in the payment of the principal of or premium, if any, on any Security at its Maturity, and continuance of such default for a period of 10 days; or
- (ii) default in the payment of interest or Additional Amounts, if any, upon any Security when they become due and payable, and continuance of such default for a period of 30 days; or
- (iii) default in the observance or performance, or breach, of any covenant of the Company or the Guarantor in any Security or this Indenture (other than a covenant a default in whose performance or whose breach is elsewhere in this Section 5.01 specifically dealt with), and continuance of such default or breach for a period of 90 days after there has been given, in conformity with Section 11.02, to the Company and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Securities a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or
- (iv) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company or the Guarantor in an involuntary case or proceeding under any applicable Bankruptcy Law or (B) a decree or order adjudging the Company or the Guarantor a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company or the Guarantor under any applicable Bankruptcy Law, or appointing a custodian, receiver, receiver and manager, interim receiver, administrator, monitor, liquidator, assignee, trustee, sequestrator or other similar official of the Company or the Guarantor or of any substantial part of the property of the Company or the Guarantor, or ordering the winding up or liquidation of the affairs of the Company or the Guarantor, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; or
- (v) the commencement by the Company or the Guarantor of a voluntary case or proceeding under any applicable Bankruptcy Law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by either of them to the entry of a decree or order for relief in respect of the Company or the Guarantor in an involuntary case or proceeding under any applicable Bankruptcy Law or to the commencement of any bankruptcy or insolvency case or proceeding against any of them, or the filing by any of them of a petition or answer or consent seeking reorganization or relief under any applicable Bankruptcy Law, or the consent by any of them to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, receiver and manager, interim receiver, administrator, monitor, liquidator, assignee, trustee, sequestrator or similar official of the Company or the Guarantor or of any substantial part of the property of the Company or the Guarantor, or the

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making by either of them of an assignment for the benefit of creditors, or the admission by either of them in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company or the Guarantor in furtherance of any such action; or

- (vi) the Guarantees of the Securities cease to be in full force and effect or become unenforceable or invalid or are declared null and void (other than in accordance with the terms of such Guarantees) or the Guarantor denies or disaffirms its obligations under such Guarantees.

The Trustee shall not be deemed to know of a Default or Event of Default unless a Responsible Officer at the Corporate Trust Office of the Trustee has actual knowledge of such Default or Event of Default or the Trustee receives notice given in accordance with Section 11.02, at the Corporate Trust Office of the Trustee, of such Default or Event of Default with specific reference to such Default, the Securities and this Indenture.

When a Default is cured, or when an Event of Default is deemed cured pursuant to Section 5.04, such Default, or Event of Default, as the case may be, ceases.

SECTION 5.02. *Acceleration.* If an Event of Default (other than an Event of Default specified in clause (iv) or (v) of Section 5.01) occurs and is continuing, the Trustee by notice to the Company and the Guarantor, or the Holders of at least 25% in aggregate principal amount of the then outstanding Securities by written notice to the Company, the Guarantor and the Trustee, may declare the principal of, premium, if any, Additional Amounts, if any, and accrued and unpaid interest on all then outstanding Securities to be due and payable immediately. Upon any such declaration the amounts due and payable on the Securities, as determined in accordance with the final paragraph of this Section 5.02, shall be due and payable immediately. If an Event of Default specified in clause (iv) or (v) of Section 5.01 occurs, the principal of, premium, if any, Additional Amounts, if any, and interest on all Securities then outstanding shall *ipso facto* become and be immediately due and payable without any declaration, notice or other act on the part of the Trustee or any Holder.

At any time after such an acceleration of Securities has occurred and before a judgment for payment of the money due has been obtained by the Trustee as hereinafter in this Article V provided, the Holders of a majority in aggregate principal amount of the outstanding Securities, by written notice to the Company, the Guarantor and the Trustee, may rescind and annul such acceleration and its consequences if:

(1) the Company or the Guarantor has paid or deposited with the Trustee a sum sufficient to pay:

(A) the principal of and premium, if any, on any Securities which have become due otherwise than by such declaration of acceleration and Additional Amounts, if any, and any interest thereon then due at the rate or rates prescribed therefor in such Securities or in this Indenture,

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(B) to the extent that payment of such interest is lawful, interest upon overdue interest and overdue Additional Amounts, if any, at the rate or rates prescribed therefor in such Securities or in this Indenture, and

(C) all sums paid or advanced by the Trustee hereunder and the compensation, reasonable expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default, other than the non-payment of the principal of Securities which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 5.04.

No such rescission shall affect any subsequent Event of Default or impair any right consequent thereon.

If the Maturity of the Securities is accelerated pursuant to this Section 5.02, 100% of the principal amount thereof and premium, if any, shall become due and payable plus Additional Amounts, if any, and accrued and unpaid interest to the date of payment.

SECTION 5.03. *Other Remedies.* If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of, premium, if any, Additional Amounts, if any, or interest on the Securities or to enforce the performance of any provision of the Securities, the Guarantees or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Securities or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

SECTION 5.04. *Waiver of Existing Defaults.* Subject to Sections 5.07 and 8.02, the Holders of a majority in aggregate principal amount of the Securities then outstanding, by notice to the Trustee, may waive an existing Default or Event of Default and its consequences (including waivers obtained in connection with a tender offer or exchange offer for the Securities or a solicitation of consents in respect of the Securities, provided that in each case such offer or solicitation is made to all Holders of the Securities then outstanding on equal terms), except (1) a continuing Default or Event of Default in the payment of the principal of or premium, if any, Additional Amounts, if any, or interest on the Securities or (2) a continuing Default in respect of a provision that under Section 8.02 cannot be amended without the consent of each Holder affected. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

SECTION 5.05. *Control by Majority.* The Holders of a majority in aggregate principal amount of the Securities then outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on it hereunder. The Trustee, however, may refuse to follow any direction that

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conflicts with applicable law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders, or that may involve the Trustee in personal liability; provided, however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action hereunder, the Trustee shall receive reasonable indemnification from such Holders satisfactory to it against all losses and expenses caused by taking or not taking such action subject to the Trustee's duty to act with the required standard of care during a default.

SECTION 5.06. *Limitations on Suits.* Subject to Section 5.07, a Holder may pursue a remedy with respect to this Indenture (including the Guarantees) or the Securities only if:

(i) such Holder gives to the Trustee written notice of a continuing Event of Default;

(ii) the Holders of at least 25% in aggregate principal amount of the Securities then outstanding make a written request to the Trustee to pursue the remedy;

(iii) such Holder or Holders furnish to the Trustee indemnity reasonably satisfactory to the Trustee against any loss, liability or expense;

(iv) the Trustee does not comply with the request within 60 days after receipt of the request and the

furnishing of such indemnity; and

(v) during such 60-day period the Holders of a majority in aggregate principal amount of the Securities then outstanding do not give the Trustee a direction inconsistent with the request.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not such action or forbearances are unduly prejudicial to such Holders).

SECTION 5.07. *Rights of Holders to Receive Payment.* Notwithstanding any other provision of this Indenture, the right of any Holder of a Security to receive payment of principal of and premium, if any, Additional Amounts, if any, and interest on the Security, on or after the respective due dates expressed in the Security, or to bring suit against the Company or the Guarantor for the enforcement of any such payment on or after such respective dates, is absolute and unconditional and shall not be impaired or affected without the consent of such Holder.

SECTION 5.08. *Collection Suit by Trustee.* If an Event of Default specified in clause (i) or (ii) of Section 5.01 occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company and the Guarantor (i) for the amount of principal of and premium, if any, Additional Amounts, if any, and interest remaining unpaid on any Securities and (ii) interest on overdue principal, premium, if any, Additional Amounts, if any, and, to the extent lawful, interest on overdue interest, and such further amount as shall be sufficient to cover the reasonable and documented costs and expenses

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of collection, including the reasonable and documented compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

SECTION 5.09. *Trustee May File Proofs of Claim.* The Trustee is authorized to file such proofs of claim and other papers or documents and to take such actions, including participating as a member, voting or otherwise, of any committee of creditors, as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, reasonable expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company and the Guarantor or their respective creditors or properties and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any Custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the compensation, reasonable expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 6.07. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 6.07 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties which the Holders of the Securities may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 5.10. *Priorities.* If the Trustee collects any money pursuant to this Article V, it shall pay out the money in the following order:

First: to the Trustee for amounts due under this Indenture;

Second: to Holders for amounts due and unpaid on the Securities for principal, premium, if any, Additional Amounts, if any, and interest ratably, without preference or priority of any kind, according to the amounts due and payable on the Securities for principal, premium, if any, Additional Amounts, if any, and interest, respectively; and

Third: to the Company and the Guarantor.

The Trustee, upon prior written notice to the Company and the Guarantor, may fix a record date and payment date for any payment to Holders pursuant to this Article V. At least 15 days before such record date, the Trustee shall send to each Holder and the Company a notice that states the record date, the payment date and amount to be paid.

SECTION 5.11. *Undertaking for Costs.* In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a trustee, a court in its discretion may require the filing by any party litigant in the suit of an

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undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 5.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 5.07, or a suit by a Holder or Holders of more than 10% in aggregate principal amount of the Securities then outstanding.

ARTICLE VI
TRUSTEE

SECTION 6.01. *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in such exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) Except during the continuance of an Event of Default:

(i) the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine such certificates and opinions to determine whether or not, on their face, they appear to conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section 6.01;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 5.05.

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(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section 6.01.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee may refuse to perform any duty or exercise any right or power unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law. All money received by the Trustee shall, until applied as herein provided, be held in trust for the payment of the principal of and premium, if any, Additional Amounts, if any, and interest on the Securities.

(g) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

SECTION 6.02. *Rights of Trustee.*

(a) The Trustee may rely conclusively on any resolution, certificate, statement, direction, consent, order, bond, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in any such paper or document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through agents or attorneys and shall not be responsible for the misconduct or negligence of any agent or attorney appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company or the Guarantor shall be sufficient if signed by an Officer of the Company or the Guarantor, as the case may be.

(f) The Trustee is not required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Indenture.

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(g) In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of Holders of Securities, each representing less than a majority in aggregate principal amount of the outstanding Securities, pursuant to the provisions of this Indenture, the Trustee may determine what action, if any, shall be taken.

(h) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend and be enforceable by the Trustee in each of its capacities hereunder and shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnity, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture and final payment of the Securities.

(i) The permissive right of the Trustee to take the actions permitted by this Indenture shall not be construed as an obligation or duty to do so.

(j) Except for information provided by the Trustee concerning the Trustee, the Trustee shall have no responsibility for any information in the Offering Memorandum or other disclosure material distributed with respect to the Securities, and the Trustee shall have no responsibility for compliance with any U.S. Federal or State securities or employee benefit plan laws in connection with the Securities.

(k) The Trustee may request that the Company or the Guarantor, as the case may be, deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer's Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 6.03. *Individual Rights of Trustee.* The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company, the Guarantor or any of their Affiliates with the same rights it would have if it were not the Trustee. Any Agent may do the same with like rights. However, the Trustee is subject to Sections 6.10 and 6.11.

SECTION 6.04. *Trustee's Disclaimer.* The Trustee makes no representation as to the validity or adequacy of this Indenture, the Securities or the Guarantees, it shall not be accountable for the Company's use of the proceeds from the Securities or any money paid to the Company or upon the Company's direction under any provision hereof, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee and it shall not be responsible for any statement or recital herein or any statement in the Securities other than its certificate of authentication.

SECTION 6.05. *Notice of Defaults.* If a Default or Event of Default occurs and is continuing and it is actually known to a Responsible Officer of the Trustee, the Trustee shall send to the Holders a notice of such Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of or premium, if any,

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Additional Amounts, if any, or interest on any Security, the Trustee may withhold the notice if and so long as it in good faith determines that withholding the notice is in the interests of Holders.

SECTION 6.06. *Reports by Trustee to Holders.* By July 15 of each year, beginning with July 15, 2014, the Trustee shall send to Holders a brief report dated as of May 15 of such year that complies with TIA Section 313(a); provided, however, that if no event described in TIA Section 313(a) has occurred within the 12 months preceding the reporting date, no report need be transmitted. The Trustee also shall comply with TIA Section 313(b). The Trustee shall also deliver all reports as required by TIA Sections 313(c) and 313(d).

A copy of each report at the time it is sent to Holders shall be filed with the SEC and each securities exchange, if any, on which the Securities are listed. The Company shall notify the Trustee in the manner provided in Section 11.02 if and when the Securities are listed on, or delisted from, any securities exchange.

SECTION 6.07. *Compensation and Indemnity.* The Company and the Guarantor jointly and severally agree to pay to the Trustee from time to time such compensation as agreed to by the Company, the Guarantor and the Trustee, for its acceptance of this Indenture and its services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company and the Guarantor jointly and severally agree to reimburse the Trustee upon request for all reasonable and documented disbursements, advances and expenses incurred by it. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Company and the Guarantor jointly and severally agree to indemnify the Trustee or any predecessor Trustee and their agents, employees, officers and directors for and to hold them harmless against any and all loss, liability, damage, claim, or expense (including reasonable and documented fees and expenses of counsel and taxes, other than taxes based upon, measured by or determined by the income of the Trustee) incurred by it arising out of or in connection with this Indenture or the administration of this trust, including the reasonable and documented costs

and expenses of enforcing this Indenture against the Company and of defending itself against any claim (whether asserted by the Company, the Guarantor, any Holder or any other Person), except as set forth in the next paragraph. The Trustee shall notify the Company and the Guarantor promptly of any claim for which it may seek indemnity; however, failure to give such notice shall not relieve the Company or the Guarantor of their obligations. The Company shall defend the claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel, and the Company and the Guarantor shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

Notwithstanding anything herein to the contrary, neither the Company nor the Guarantor shall be obligated to reimburse any fee or expense or indemnify against any loss, liability, damage, claim or expense incurred by the Trustee through negligence or willful misconduct.

To secure the payment obligations of the Company and the Guarantor in this Section 6.07, the Trustee shall have a lien prior to the Securities on all money or property held or

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collected by the Trustee, except that held in trust to pay principal of and premium, if any, and Additional Amounts, if any, and interest on the Securities. Such lien shall survive the satisfaction and discharge of this Indenture.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 5.01(iv) or (v) occurs, the expenses and the compensation for the services are intended to constitute expenses of administration under any Bankruptcy Law.

SECTION 6.08. *Replacement of Trustee.* A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 6.08.

The Trustee may resign and be discharged from the trust hereby created by so notifying the Company and the Guarantor. The Holders of a majority in aggregate principal amount of the then outstanding Securities may remove the Trustee by so notifying the Trustee and the Company. The Company may remove the Trustee if:

- (i) the Trustee fails to comply with Section 6.10;
- (ii) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;
- (iii) a Custodian or public officer takes charge of the Trustee or its property; or
- (iv) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company and the Guarantor shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the Securities then outstanding may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of at least 10% in aggregate principal amount of the Securities then outstanding may petition any court of competent jurisdiction at the expense of the Company for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 6.10, any Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company and the Guarantor. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall send a notice of its succession to Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 6.07.

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Notwithstanding replacement of the Trustee pursuant to this Section 6.08, the obligations of the Company and the Guarantor under Section 6.07 shall continue for the benefit of the retiring Trustee.

SECTION 6.09. *Successor Trustee by Merger, etc.* Subject to Section 6.10, if the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another business entity, such entity without any further act shall be the successor Trustee; provided, however, that in the case of a transfer of all or substantially all of its corporate trust business to another corporation, the transferee corporation expressly assumes all of the Trustee's liabilities hereunder.

In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated; and in case at that time any of the Securities shall not have been authenticated, any successor to the Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor to the Trustee; and in all such cases such certificates shall have the full

force which it is anywhere in the Securities or in this Indenture provided that the certificate of the Trustee shall have.

SECTION 6.10. *Eligibility; Disqualification.* There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia and authorized under such laws to exercise corporate trust power, shall be subject to supervision or examination by Federal or State (or the District of Columbia) authority and shall have, or be a Subsidiary of a bank or bank holding company having, a combined capital and surplus of at least \$50 million as set forth in its most recent published annual report of condition.

This Indenture shall always have a Trustee that satisfies the requirements of TIA Sections 310(a)(1), 310(a)(2) and 310(a)(5). The Trustee is subject to and shall comply with the provisions of TIA Section 310(b) during the period of time required by this Indenture. Nothing in this Indenture shall prevent the Trustee from filing with the SEC the application referred to in the penultimate paragraph of TIA Section 310(b).

SECTION 6.11. *Preferential Collection of Claims Against Company.* The Trustee is subject to and shall comply with the provisions of TIA Section 311(a), excluding any creditor relationship listed in TIA Section 311(b). A Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicated therein.

ARTICLE VII DISCHARGE OF INDENTURE

SECTION 7.01. *Termination of Company's and Guarantor's Obligations.*

(a) *Satisfaction and Discharge of Indenture.* This Indenture shall cease to be of further effect (except as provided in the last paragraph of this Section 7.01(a)), and the Trustee, on demand of the Company, shall execute proper instruments acknowledging the satisfaction and discharge of this Indenture, when:

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(1) either

(A) all outstanding Securities theretofore authenticated and issued (other than destroyed, lost or wrongfully taken Securities that have been replaced or paid) have been delivered to the Trustee for cancellation; or

(B) all outstanding Securities not theretofore delivered to the Trustee for cancellation:

(i) have become due and payable,

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) will be scheduled for redemption by their terms within one year, and the Company, in the case of clause (i) or (ii) above or this clause (iii), has deposited or caused to be deposited with the Trustee as funds (immediately available to the Holders in the case of clause (i)) in trust for such purpose an amount of cash or, in the case of clause (ii) or this clause (iii), U.S. Government Obligations or a combination thereof which, together with earnings thereon, will be sufficient, in the case of clause (ii) or this clause (iii), in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge the entire indebtedness on such Securities for principal, premium, if any, Additional Amounts, if any, and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Company has paid all other sums payable by it hereunder; and

(3) the Company has delivered to the Trustee an Officer's Certificate stating that all conditions precedent to satisfaction and discharge of this Indenture have been complied with, together with an Opinion of Counsel to the same effect.

However, the Company's obligations in Sections 2.03, 2.06, 2.07, 3.02 and 7.01, the Company's and the Guarantor's obligations in Sections 6.07, 6.08 and 7.04 and the Trustee's and Paying Agent's obligations in Section 7.03 shall survive the satisfaction and discharge of this Indenture until the Securities are no longer outstanding. Thereafter, only the Company's and the Guarantor's obligations in Section 6.07 and the Trustee's and Paying Agent's obligations in Section 7.03 shall survive.

(b) *Legal Defeasance.* The Company and the Guarantor may, subject as provided herein, terminate by legal defeasance all of their obligations under this Indenture if:

(i) the Company has irrevocably deposited or caused to be irrevocably deposited with the Trustee as trust funds in trust for the purpose of making the following payments dedicated solely to the benefit of the Holders (A) cash in an amount, or (B) U.S. Government Obligations, or (C) a combination thereof,

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sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification

thereof delivered to the Trustee, to pay, without consideration of the reinvestment of any such amounts and after payment of all taxes or other charges or assessments in respect thereof payable by the Trustee, the principal of and premium, if any, Additional Amounts, if any and interest on all Securities on each date that such principal, premium, if any, Additional Amounts, if any, or interest is due and payable and to pay all other sums payable by it hereunder; provided that the Trustee shall have been irrevocably instructed to apply such money or the proceeds of such U.S. Government Obligations to the payment of said principal, premium, if any, Additional Amounts, if any, and interest with respect to the Securities as the same shall become due;

(ii) the Company has delivered to the Trustee an Officer's Certificate stating that all conditions precedent to such legal defeasance have been complied with, and an Opinion of Counsel to the same effect;

(iii) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or, insofar as clauses (iv) and (v) of Section 5.01 are concerned, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period);

(iv) the Company shall have delivered to the Trustee an Opinion of Counsel from nationally recognized counsel acceptable to the Trustee to the effect that, based on a ruling of the Internal Revenue Service or a change in U.S. Federal income tax law occurring after the date of this Indenture, the Holders of Securities will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of the Company's exercise of its option under this Section 7.01(b) and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such option had not been exercised;

(v) such deposit and legal defeasance will not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or the Guarantor is a party or by which it is bound;

(vi) such deposit and legal defeasance shall not cause the Trustee to have a conflicting interest as defined in TIA Section 310(b); and

(vii) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that after the passage of 91 days following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally.

In such event, payment of the Securities may not be accelerated because of an Event of Default, Article IX and the other provisions of this Indenture shall cease to be of further effect

(except as provided in the next succeeding paragraph), and the Trustee, on demand of the Company, shall execute proper instruments acknowledging such legal defeasance.

However, the Company's obligations in Sections 2.03, 2.06, 2.07, 3.02 and 7.01, the Company's and the Guarantor's obligations in Sections 6.07, 6.08 and 7.04 and the Trustee's and Paying Agent's obligations in Section 7.03 shall survive such legal defeasance the Securities are no longer outstanding. Thereafter, only the Company's and the Guarantor's obligations in Section 6.07 and the Trustee's and Paying Agent's obligations in Section 7.03 shall survive.

(c) *Covenant Defeasance.* The Company and the Guarantor may, subject as provided herein, be released from their respective obligations to comply with, and shall have no liability in respect of any term, condition or limitation, set forth in Sections 3.07, 3.08, 3.09 and 4.01 and in Article IX, and such omission to comply with any of Sections 3.07, 3.08, 3.09 and 4.01 and Article IX shall not constitute an Event of Default under Section 5.01 ("Covenant Defeasance"), with the remainder of this Indenture and the Securities unaffected thereby if:

(i) the Company has irrevocably deposited or caused to be irrevocably deposited with the Trustee as trust funds in trust for the purpose of making the following payments dedicated solely to the benefit of the Holders (A) cash in an amount, or (B) U.S. Government Obligations, or (C) a combination thereof, sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay, without consideration of the reinvestment of any such amounts and after payment of all taxes or other charges or assessments in respect thereof payable by the Trustee, the principal of and premium, if any, Additional Amounts, if any and interest on all Securities on each date that such principal, premium, if any, or interest is due and payable and to pay all other sums payable by it hereunder; provided that the Trustee shall have been irrevocably instructed to apply such money and/or the proceeds of such U.S. Government Obligations to the payment of said principal, premium, if any, Additional Amounts, if any, and interest with respect to the Securities as the same shall become due;

(ii) the Company has delivered to the Trustee an Officer's Certificate stating that all conditions precedent to the Covenant Defeasance contemplated by this provision have been complied with, and an Opinion of Counsel to the same effect;

(iii) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or, insofar as clauses (iv) and (v) of Section 5.01 are concerned, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period);

(iv) the Company shall have delivered to the Trustee an Opinion of Counsel from nationally recognized counsel

Federal income tax purposes as a result of the Company's exercise of its option under this Section 7.01(c) and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such option had not been exercised;

(v) such Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or the Guarantor is a party or by which it is bound;

(vi) such Covenant Defeasance shall not cause the Trustee to have a conflicting interest as defined in TIA Section 310(b); and

(vii) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that after the passage of 91 days following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally.

(d) In order to have money available on a payment date to pay principal of or premium, if any, Additional Amounts, if any, or interest on the Securities, the U.S. Government Obligations shall be payable as to principal or interest on or before such payment date in such amounts as will provide the necessary money. U.S. Government Obligations shall not be callable at the issuer's option.

(e) The Company may exercise its option under Section 7.01(b) notwithstanding its prior exercise of its Covenant Defeasance option under Section 7.01(c).

SECTION 7.02. *Application of Trust Money.* The Trustee or a trustee satisfactory to the Trustee and the Company shall hold in trust money or U.S. Government Obligations deposited with it pursuant to Section 7.01. It shall apply the deposited money and the money from U.S. Government Obligations through the Paying Agent and in accordance with this Indenture to the payment of principal of and premium, if any, Additional Amounts, if any, and interest on Securities with respect to which the deposit was made.

SECTION 7.03. *Repayment to Company.* The Trustee and the Paying Agent shall promptly pay to the Company upon written request any excess money or securities held by them at any time. Subject to the requirements of any applicable abandoned property laws, the Trustee and the Paying Agent shall pay to the Company upon written request any money held by them for the payment of principal of, premium, if any, Additional Amounts, if any, or interest that remains unclaimed for two years after the date upon which such payment shall have become due; provided, however, that the Company shall have either caused notice of such payment to be sent to each Holder entitled thereto no less than 30 days prior to such repayment or within such period shall have published such notice in a financial newspaper of widespread circulation published in The City of New York. After payment to the Company, Holders entitled to the money must look to the Company for payment as unsecured general creditors unless an applicable abandoned property law designates another Person, and all liability of the Trustee and the Paying Agent with respect to such money shall cease.

SECTION 7.04. *Reinstatement.* If the Trustee or the Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with Section 7.01 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the obligations of the Company and the Guarantor under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to Section 7.01 until such time as the Trustee or the Paying Agent is permitted to apply all such money or U.S. Government Obligations in accordance with Section 7.01; provided, however, that if the Company or the Guarantor has made any payment of principal of or interest on any Securities because of the reinstatement of its obligations, the Company or the Guarantor, as the case may be, shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money or U.S. Government Obligations held by the Trustee or the Paying Agent.

ARTICLE VIII AMENDMENTS

SECTION 8.01. *Without Consent of Holders.* The Company, the Guarantor, the Trustee and the Securities Administrator may amend or supplement this Indenture or any of the Securities or waive any provision hereof or thereof without the consent of any Holder:

(i) to convey, transfer, assign, mortgage or pledge to the Trustee as security for the Securities any property or assets;

(ii) to evidence the succession of another Person to the Company or the Guarantor, or successive successions, and the assumption by the successor Person of the covenants, agreements and obligations of the Company or the Guarantor pursuant to Section 4.01 or 4.02;

(iii) to add to the covenants of the Company or the Guarantor such further covenants, restrictions, conditions or provisions as the Company or the Guarantor and the Trustee shall consider to be for the protection of the Holders of Securities, to surrender any right or power herein conferred upon the Company or the Guarantor, and to make the occurrence, or the

occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in this Indenture, provided that in respect of any such additional covenant, restriction, condition or provision such amendment or supplement may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of the Holders of a majority in aggregate principal amount of the Securities to waive such an Event of Default;

(iv) to cure any ambiguity or omission or to correct or supplement any provision contained herein or in any supplemental indenture which may be defective or inconsistent with any other provision contained herein or in any

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supplemental indenture, provided that no such action shall adversely affect the interests of the Holders of the Securities;

(v) to provide for uncertificated Securities in addition to or in place of certificated Securities, provided that the uncertificated Securities are issued in registered form for purposes of Section 163(f) of the Code;

(vi) to provide for the issuance of Exchange Securities and related Guarantees or Additional Securities and related Guarantees in accordance with this Indenture;

(vii) to effect or maintain, or otherwise comply with the requirements of the SEC in connection with, the qualification of this Indenture under the TIA;

(viii) to effect any provision of this Indenture;

(ix) to conform the text of this Indenture or the Securities to the "Description of the Notes" set forth in the Offering Memorandum to the extent such provision in the "Description of the Notes" was intended to be a verbatim, or substantially verbatim, recitation of provision if this Indenture or the Securities (which intent may be evidenced by an Officer's Certificate to such effect); or

(x) to make any other change that does not adversely affect the rights of any Holder.

Upon the request of the Company and the Guarantor and upon receipt by the Trustee and the Securities Administrator of the documents described in Section 8.06, the Trustee and the Securities Administrator shall join with the Company and the Guarantor in the execution of any supplemental indenture entered into to effect any such amendment, supplement or waiver.

SECTION 8.02. *With Consent of Holders.* Except as provided in Section 8.01 or below in this Section 8.02, the Company, the Guarantor, the Trustee and the Securities Administrator may amend or supplement this Indenture or any of the Securities with the consent (including consents obtained in connection with a tender offer or exchange offer for the Securities or a solicitation of consents in respect of the Securities, provided that in each case such offer or solicitation is made to all Holders of the Securities then outstanding on equal terms) of the Holders of a majority in aggregate principal amount of the Securities then outstanding affected thereby.

The Holders of a majority in aggregate principal amount of the Securities then outstanding may waive compliance in a particular instance by the Company or the Guarantor with any provision of this Indenture or the Securities (including waivers obtained in connection with a tender offer or exchange offer for such Securities or a solicitation of consents in respect of such Securities, provided that in each case such offer or solicitation is made to all Holders of the Securities then outstanding on equal terms).

Upon the request of the Company and the Guarantor and upon the filing with the Trustee and the Securities Administrator of evidence of the consent of the Holders as aforesaid, and upon

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receipt by the Trustee and the Securities Administrator of the documents described in Section 8.06, the Trustee and the Securities Administrator shall join with the Company and the Guarantor in the execution of any supplemental indenture entered into to effect any such amendment, supplement or waiver. After an amendment, supplement or waiver under this Section 8.02 becomes effective, the Company shall send to the Holders of each Security affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to send such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment, supplement or waiver.

It shall not be necessary for the consent of the Holders under this Section 8.02 to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof.

Without the consent of each Holder affected, an amendment, supplement or waiver under this Section 8.02 may not:

(i) extend the final maturity of the principal of any of the Securities;

(ii) reduce the principal amount of any of the Securities;

- (iii) reduce the rate or extend the time of payment of interest, including defaulted interest, or Additional Amounts, if any, on any of the Securities;
- (iv) reduce any amount payable on redemption of any of the Securities;
- (v) change the currency in which the principal of or premium, if any, Additional Amounts, if any, or interest on any of the Securities is payable;
- (vi) impair the right to institute suit for the enforcement of any payment of principal of or premium, if any, Additional Amounts, if any, or interest on any Security pursuant to Sections 5.07 and 5.08, except as limited by Section 5.06;
- (vii) make any change in the percentage of principal amount of the Securities necessary to waive compliance with or to modify certain provisions of this Indenture pursuant to Section 5.04 or 5.07 or this clause of this Section 8.02; or
- (viii) waive a continuing Default or Event of Default in the payment of principal of or premium, if any, Additional Amounts, if any, or interest, including defaulted interest, on the Securities.

The right of any Holder to participate in any consent required or sought pursuant to any provision of this Indenture (and the obligation of the Company to obtain any such consent otherwise required from such Holder) may be subject to the requirement that such Holder shall have been the Holder of record of the Securities as of a record date fixed by the Company in accordance with Section 8.04 of this Indenture.

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SECTION 8.03. *Compliance with Trust Indenture Act.* Every amendment or supplement to this Indenture or the Securities shall comply in form and substance with the TIA as then in effect.

SECTION 8.04. *Revocation and Effect of Consents.* A consent to an amendment, a supplement or a waiver by a Holder is a continuing consent by the Holder and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent is not made on any Security. However, any such Holder or subsequent Holder may revoke the consent as to its Security or portion of a Security if the Trustee receives written notice of revocation at any time prior to (but not after) the date the Trustee receives an Officer's Certificate certifying that the Holders of the requisite aggregate principal amount of Securities have consented (and not theretofore revoked such consent) to the amendment, supplement or waiver.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to consent to any amendment, supplement or waiver or to take any other action with respect to the Securities under this Indenture. If a record date is fixed, then notwithstanding the provisions of the immediately preceding paragraph, those Persons who were Holders at the close of business on such record date (or their duly designated proxies), and only those Persons, shall be entitled to consent to such amendment, supplement or waiver or to revoke any consent previously given, whether or not such Persons continue to be Holders after such record date, and for this purpose the Securities then outstanding shall be computed as of such record date. No consent shall be valid or effective for more than 90 days after such record date unless consents from Holders of the aggregate principal amount of the Securities required hereunder for such amendment, supplement or waiver to be effective shall have also been given and not revoked within such 90-day period.

After an amendment, supplement or waiver becomes effective, it shall bind every Holder, unless it is of the type described in any of clauses (i) through (viii) of Section 8.02. In such case, the amendment, supplement or waiver shall bind each Holder who has consented to it and every subsequent Holder that evidences the same debt as the consenting Holder's Security.

SECTION 8.05. *Notation on or Exchange of Securities.* If an amendment or supplement changes the terms of a Security, the Trustee may require the Holder of the Security to deliver it to the Trustee. The Trustee may place an appropriate notation on the Security regarding the changed terms and return it to the Holder. Alternatively, if the Company or the Trustee so determines, the Company in exchange for the Security shall issue and the Trustee shall authenticate a new Security that reflects the changed terms. Failure to make the appropriate notation or to issue a new Security shall not affect the validity of such amendment or supplement.

SECTION 8.06. *Trustee and Securities Administrator to Sign Amendments, etc.* The Trustee and the Securities Administrator shall sign any supplemental indenture authorized pursuant to this Article VIII if the supplemental indenture does not adversely affect the rights, duties, liabilities or immunities of the Trustee or the Securities Administrator, as the case may be. If it does, the Trustee or the Securities Administrator, as applicable, may, but need not, sign it. In signing or refusing to sign such supplemental indenture, the Trustee and the Securities

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Administrator shall receive, and subject to Section 6.01, shall be fully protected in conclusively relying upon, an Opinion of Counsel and an Officer's Certificate, as conclusive evidence that all conditions precedent to such supplemental indenture have been complied with, that such supplemental indenture is authorized or permitted by this Indenture, that it is not inconsistent herewith, and that it will be valid and binding upon the Company and the Guarantor in accordance with its terms.

ARTICLE IX GUARANTEES OF SECURITIES

SECTION 9.01. *Unconditional Guarantees.*

(a) For value received, the Guarantor hereby fully, irrevocably, unconditionally and absolutely guarantees to the Holders and to the Trustee the due and punctual payment of the principal of and premium, if any, Additional Amounts, if any, and interest on the Securities and all other amounts due and payable under this Indenture and the Securities by the Company (including, without limitation, all costs and expenses (including reasonable legal fees and disbursements) incurred by the Trustee or the Holders in connection with the enforcement of this Indenture, the Securities and the Guarantees) (collectively, the “Indenture Obligations”), when and as such principal, premium, if any, Additional Amounts, if any, and interest and such other amounts shall become due and payable, whether at the Stated Maturity, upon redemption or by declaration of acceleration or otherwise, according to the terms of the Securities and this Indenture. The guarantees by the Guarantor set forth in this Article IX are referred to herein as the “Guarantees.” Without limiting the generality of the foregoing, the Guarantor’s liability shall extend to all amounts that constitute part of the Indenture Obligations and would be owed by the Company under this Indenture and the Securities but for the fact that they are unenforceable, reduced, limited, impaired, suspended or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Company.

(b) Failing payment when due of any amount guaranteed pursuant to the Guarantees, for whatever reason, the Guarantor will be obligated to pay the same immediately to the Trustee, without set-off or counterclaim or other reduction whatsoever (whether for taxes, withholding or otherwise). The Guarantees are intended to be general, unsecured, senior obligations of the Guarantor and to rank *pari passu* in right of payment with all indebtedness of the Guarantor that is not, by its terms, expressly subordinated in right of payment to the Guarantees of the Guarantor. The Guarantor hereby agrees that its obligations hereunder shall be full, irrevocable, unconditional and absolute, irrespective of the validity, regularity or enforceability of the obligations and liabilities of any other obligor with respect to the Securities, the Guarantees or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof with respect to the same, the recovery of any judgment against the Company, or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of the Guarantor.

The Guarantor hereby agrees that in the event of a default in payment of the principal of or premium, if any, Additional Amounts, if any, or interest on the Securities or any other amounts payable under this Indenture and the Securities by the Company, whether at the Stated Maturity, upon redemption or by declaration of acceleration or otherwise, legal proceedings may

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be instituted by the Trustee on behalf of the Holders or, subject to Section 5.06, by the Holders, on the terms and conditions set forth in this Indenture, directly against the Guarantor to enforce the Guarantees without first proceeding against the Company.

(c) To the fullest extent permitted by applicable law, the obligations of the Guarantor under this Article IX shall be as aforesaid full, irrevocable, unconditional and absolute and shall not be impaired, modified, discharged, released or limited by any occurrence or condition whatsoever, including, without limitation, (i) any compromise, settlement, release, waiver, renewal, extension, indulgence or modification of, or any change in, any of the obligations and liabilities of any other obligor with respect to the Securities contained in any of the Securities or this Indenture, (ii) any impairment, modification, release or limitation of the liability of the Company, the Guarantor or any of their respective estates in bankruptcy, or any remedy for the enforcement thereof, resulting from the operation of any present or future provision of any applicable Bankruptcy Law, or other statute or from the decision of any court, (iii) the assertion or exercise by the Company, the Guarantor or the Trustee of any rights or remedies under any of the Securities or this Indenture or its delay in or failure to assert or exercise any such rights or remedies, (iv) the assignment or the purported assignment of any property as security for any of the Securities, including all or any part of the rights of the Company or the Guarantor under this Indenture, (v) the extension of the time for payment by the Company or the Guarantor of any payments or other sums or any part thereof owing or payable under any of the terms and provisions of any of the Securities or this Indenture or of the time for performance by the Company or the Guarantor of any other obligations under or arising out of any such terms and provisions or the extension or the renewal of any thereof, (vi) the modification or amendment (whether material or otherwise) of any duty, agreement or obligation set forth in this Indenture of any other obligor with respect to the Securities, (vii) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of, or other similar proceeding affecting, either of the Company or the Guarantor or any of its assets, or the disaffirmance of any of the Securities, the Guarantees or this Indenture in any such proceeding, (viii) the release or discharge of the Company or the Guarantor from the performance or observance of any agreement, covenant, term or condition contained in any of such instruments by operation of law, (ix) the unenforceability of any of the obligations of any of the other obligors under the Securities, the Guarantees or this Indenture, (x) any change in the name, business, capital structure, corporate existence, or ownership of the Company or the Guarantor, or (xi) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, a surety or the Guarantor.

(d) The Guarantor hereby (i) waives diligence, presentment, demand of payment, notice of acceptance, filing of claims with a court in the event of the merger, insolvency or bankruptcy of the Company or the Guarantor, and all demands and notices whatsoever, (ii) acknowledges that any agreement, instrument or document evidencing the Guarantees may be transferred and that the benefit of its obligations hereunder shall extend to each holder of any agreement, instrument or document evidencing the Guarantees without notice to them and (iii) covenants that its Guarantees will not be discharged except by complete performance of the Guarantees or of the obligations guaranteed thereby. The Guarantor further agrees that if at any time all or any part of any payment theretofore applied by any Person to the

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Guarantees is, or must be, rescinded or returned for any reason whatsoever, including, without limitation, the insolvency, bankruptcy or reorganization of the Guarantor, the Guarantees shall, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence notwithstanding such application, and the Guarantees shall continue to be effective or be reinstated, as the case may be, as though such application had not been made.

(e) The Guarantor shall be subrogated to all rights of the Holders and the Trustee against the Company in respect of any amounts paid by the Guarantor pursuant to the provisions of this Indenture; provided, however, that the Guarantor shall not be entitled to enforce or to receive any payments arising out of, or based upon, such right of subrogation with respect to any of the Securities until all of the Securities and the Guarantees thereof shall have been paid in full or discharged.

(f) No failure to exercise and no delay in exercising, on the part of the Trustee or the Holders, any right, power, privilege or remedy under this Article IX and the Guarantees shall operate as a waiver thereof, nor shall any single or partial exercise of any rights, power, privilege or remedy preclude any other or further exercise thereof, or the exercise of any other rights, powers, privileges or remedies. The rights and remedies herein provided for are cumulative and not exclusive of any rights or remedies provided in law or equity. Nothing contained in this Article IX shall limit the right of the Trustee or the Holders to take any action to accelerate the Maturity of the Securities pursuant to Article V or to pursue any rights or remedies hereunder or under applicable law.

SECTION 9.02. *Execution and Delivery of Notation of Guarantees.* To further evidence the Guarantees, the Guarantor hereby agrees that a notation of such Guarantees may be endorsed on each Security authenticated and delivered by the Trustee and that such notation shall be executed by either manual or facsimile signature of an Officer of the Guarantor.

The Guarantor hereby agrees that its Guarantees shall remain in full force and effect notwithstanding any failure to endorse on each Security a notation of the Guarantees.

If an Officer of the Guarantor whose signature is on this Indenture or a Security no longer holds that office at the time the Trustee authenticates such Security or at any time thereafter, the Guarantor's guarantee of such Security shall be valid nevertheless.

The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantees set forth in this Indenture on behalf of the Guarantor.

ARTICLE X REDEMPTION

SECTION 10.01. *Notices to Trustee.* If the Company elects to redeem the Securities pursuant to the redemption provisions of Section 10.07, it shall furnish to the Trustee and the Securities Administrator, at least five days before notice of such redemption is to be given pursuant to Section 10.03 (unless a shorter period is acceptable to the Trustee), an Officer's Certificate setting forth the Redemption Date, the principal amount of such Securities to be redeemed, the Redemption Price (or the method of calculating the Redemption Price) and, if the

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redemption of such Securities is subject to any condition precedent, each such condition precedent.

SECTION 10.02. *Selection of Securities to be Redeemed.* If less than all of the Securities are to be redeemed, the Securities Administrator shall select the Securities to be redeemed by such method as the Securities Administrator in its sole discretion shall deem fair and appropriate (or, in the case of Securities represented by a Global Security, in accordance with the Applicable Procedures). The particular Securities to be redeemed shall be selected by the Securities Administrator from the outstanding Securities not previously called for redemption.

The Securities Administrator shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Security selected for partial redemption, the principal amount thereof to be redeemed. Securities and portions of them selected shall be in minimum amounts of \$2,000 and integral multiples of \$1,000 in excess thereof. Except as provided in the preceding sentence, provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption.

SECTION 10.03. *Notices to Holders.*

(a) At least 20 days but not more than 75 days before a Redemption Date (unless a different notice period is specified in the Securities), the Company shall give in conformity with Section 11.02 a notice of redemption to each Holder whose Securities are to be redeemed. The notice shall identify the Securities to be redeemed (including CUSIP, ISIN or similar numbers, if any) and shall state:

- (i) the Redemption Date;
- (ii) the Redemption Price (or the method of calculating the Redemption Price);
- (iii) if any Security is being redeemed in part, the portion of the principal amount of such Security to be redeemed and that, after the Redemption Date, upon surrender of such Security, a new Security or Securities in principal amount equal to the unredeemed portion will be issued;
- (iv) the name and address of the Paying Agent;

(v) that Securities called for redemption must be surrendered to the Paying Agent at the address specified in such notice to collect the Redemption Price;

(vi) that unless the Company defaults in making the redemption payment, interest on Securities called for redemption ceases to accrue on and after the Redemption Date and the only remaining right of the Holders is to receive payment of the Redemption Price upon surrender to the Paying Agent of the Securities;

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(vii) the aggregate principal amount of Securities being redeemed; and

(viii) any condition precedent to such redemption.

If any of the Securities to be redeemed is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the procedures of the Depositary applicable to redemptions.

(b) At the Company's request, the Securities Administrator shall give the notice required in Section 10.03(a) in the Company's name; provided, however, that the Company shall deliver to the Securities Administrator, at least 15 days prior to the requested delivery date (unless the Securities Administrator consents in writing to a shorter period), an Officer's Certificate requesting that the Securities Administrator give such notice and setting forth the information to be stated in such notice as provided in Section 10.03(a).

SECTION 10.04. *Effect of Notices of Redemption.* Notice of redemption may be given and any redemption of Securities may, at the Company's discretion, be subject to one or more conditions precedent, including the consummation of a financing transaction or equity issuance, the proceeds of which are to be used to fund such redemption; provided that, if notice of redemption is given pursuant to Section 10.03, and such notice does not include a condition precedent to be satisfied in order for the Company to be obligated to redeem the Securities, the Securities called for redemption shall become due and payable on the Redemption Date at the Redemption Price. Upon surrender to the Paying Agent of Securities called for redemption, such Securities shall be paid out at the Redemption Price, plus accrued and unpaid interest up to, but excluding, the Redemption Date; provided, however, that if the Redemption Date is after the taking of a record of the Holders on a record date and on or prior to the related Interest Payment Date, the accrued and unpaid interest shall be payable to the Person in whose name the redeemed Securities are registered on such record date. Failure to give notice or any defect in the notice to any Holder shall not affect the validity of the notice to any other Holder.

SECTION 10.05. *Deposit of Redemption Price.* At or prior to 11:00 a.m. New York City time on the Redemption Date, the Company shall deposit with the Trustee or with the Paying Agent immediately available funds sufficient to pay the Redemption Price of all Securities to be redeemed on that date, plus accrued and unpaid interest thereon up to, but excluding, the Redemption Date. The Trustee or the Paying Agent shall return to the Company any money not required for that purpose less the expenses of the Trustee as provided herein.

If the Company complies with the preceding paragraph, interest on the Securities or portions thereof to be redeemed (whether or not such Securities are presented for payment) will cease to accrue on the applicable Redemption Date. If any Security called for redemption shall not be so paid upon surrender because of the failure of the Company to comply with the preceding paragraph, then interest will be paid on the unpaid principal, premium, if any, and Additional Amounts, if any, from the Redemption Date until such principal, premium, if any, and Additional Amounts, if any, are paid and, to the extent lawful, on any interest not paid on such unpaid principal, in each case at the rate provided in the Securities and in Section 3.01.

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SECTION 10.06. *Securities Redeemed in Part.* Upon surrender of a Security that is redeemed in part, the Company shall issue and the Trustee shall authenticate for the Holder, at the expense of the Company, a new Security equal in principal amount to the unredeemed portion of the Security surrendered.

SECTION 10.07. *Optional Redemption.* The Securities may be redeemed at any time at the option of the Company and on such terms and subject to such conditions (including conditions precedent) as are specified in such Securities.

Any redemption pursuant to this Section 10.07 shall be made, to the extent applicable, pursuant to the provisions of Sections 10.01 through 10.06.

ARTICLE XI MISCELLANEOUS

SECTION 11.01. *Trust Indenture Act Controls.* Any reference to a requirement under the TIA shall apply to this Indenture irrespective of whether or not this Indenture is then qualified thereunder. If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA (or in any other indenture qualified thereunder), the provision required by the TIA shall control.

SECTION 11.02. *Notices.* Any notice or other communication by the Company, the Guarantor or the Trustee to the others is duly given if in writing and delivered in person, by facsimile or by overnight air courier guaranteeing next day delivery or if mailed by first-class mail (registered or certified, return receipt requested), in each case to the other's address:

If to either the Company or the Guarantor, to it at:

Nabors Industries, Inc.
515 West Greens Road, Suite 1200
Houston, Texas 77067
Attention: General Counsel
Facsimile: (281) 775-8431

If to the Trustee:

Wilmington Trust, National Association
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890
Attention: Nabors Industries Administrator
Facsimile: (302) 636-4145

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If to the Securities Administrator:

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, New York 10013
Attention: Louis A. Piscitelli
Facsimile: (347) 767-2639

Each of the Company, the Guarantor, the Trustee and the Securities Administrator by notice to the others may designate additional or different addresses for subsequent notices or other communications.

All notices and other communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if telecopied; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery. Notwithstanding the foregoing, notices to the Trustee and the Securities Administrator shall be effective only upon receipt.

Any notice or other communication to a Holder shall be mailed by first-class mail, postage prepaid, to the Holder's address shown on the register kept by the Registrar; provided, however, if the Holder is the Depository (or its nominee) any notice or communication to such Holder shall be given in accordance with the Depository's rules and procedures. Failure to give a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or other communication is mailed or otherwise sent in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company or the Guarantor sends a notice or other communication to Holders, it shall send a copy to the Trustee and the Securities Administrator at the same time. If the Company or the Guarantor sends a notice or other communication to the Trustee, it shall send a copy to the Securities Administrator at the same time.

All notices or other communications, including, without limitation, notices to the Trustee, the Securities Administrator, the Company or the Guarantor by Holders, shall be in writing and in the English language.

In case by reason of the suspension of regular mail service, or by reason of any other cause, it shall be impossible to mail any notice or other communication required by this Indenture, then such method of notification as shall be made with the approval of the Trustee shall constitute a sufficient mailing of such notice.

SECTION 11.03. *Communication by Holders with Other Holders.* Holders may communicate pursuant to TIA Section 312(b) with other Holders with respect to their rights under this Indenture, the Securities or the Guarantees. The Company, the Guarantor, the Trustee, the Securities Administrator, each Agent and anyone else shall have the protection of TIA Section 312(c).

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SECTION 11.04. *Certificate and Opinion as to Conditions Precedent.* Upon any request or application by the Company or the Guarantor to the Trustee or the Securities Administrator to take any action under this Indenture, the Company or the Guarantor shall, if requested by the Trustee, furnish to the Trustee or the Securities Administrator, as applicable:

- (i) an Officer's Certificate (which shall include the statements set forth in Section 11.05) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed

action have been complied with; and

(ii) an Opinion of Counsel (which shall include the statements set forth in Section 11.05) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been complied with.

Notwithstanding the foregoing, no such Opinion of Counsel shall be required in connection with the issuance of the Initial Securities pursuant to the Offering.

SECTION 11.05. *Statements Required in Certificate or Opinion.* Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- (i) a statement that the Person making such certificate or opinion has read such covenant or condition;
- (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (iii) a statement that, in the opinion of such Person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and
- (iv) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

SECTION 11.06. *Rules by Trustee and Agents.* The Trustee may make reasonable rules for action by or at a meeting of Holders. The Securities Administrator, the Registrar or the Paying Agent may make reasonable rules and set reasonable requirements for its functions.

SECTION 11.07. *Legal Holidays.* If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period. If a record date is a Legal Holiday, the record date shall not be affected.

SECTION 11.08. *No Recourse Against Others.* A director, officer, employee or stockholder of the Company or the Guarantor, as such, shall not have any liability for any obligations of the Company or the Guarantor under the Securities, the Guarantees or this

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Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. Each Holder by accepting a Security waives and releases all such liability. The waiver and release shall be part of the consideration for the issue of the Securities.

SECTION 11.09. *Governing Law; Jury Trial Waiver.* This Indenture, the Securities and the Guarantees shall be governed by and construed in accordance with the laws of the State of New York. EACH OF THE COMPANY, THE GUARANTOR, THE HOLDERS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE SECURITIES OR THE TRANSACTION CONTEMPLATED HEREBY.

SECTION 11.10. *Consent to Jurisdiction and Service of Process.* The Guarantor is not organized under the laws the United States (including the States thereof and the District of Columbia) and therefore it hereby appoints the Company as the authorized agent thereof (the "Authorized Agent") upon whom process may be served in any action, suit or proceeding arising out of or based on this Indenture or the Securities which may be instituted in the Supreme Court of the State of New York or the United States District Court for the Southern District of New York, in either case in the Borough of Manhattan, The City of New York, by the Holder of any Security, and to the fullest extent permitted by applicable law, the Guarantor hereby waives any objection which it may now or hereafter have to the laying of venue of any such proceeding and expressly and irrevocably accepts and submits, for the benefit of the Holders from time to time of the Securities, to the nonexclusive jurisdiction of any such court in respect of any such action, suit or proceeding, for itself and with respect to its properties, revenues and assets. Such appointment shall be irrevocable unless and until the appointment of a successor authorized agent for such purpose, and such successor's acceptance of such appointment, shall have occurred. The Guarantor agrees to take any and all actions, including the filing of any and all documents and instruments, that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent with respect to any such action shall be deemed, in every respect, effective service of process upon the Guarantor. Notwithstanding the foregoing, any action against the Guarantor arising out of or based on any Security or the Guarantees may also be instituted by the Holder of such Security in any court in the jurisdiction of organization of the Guarantor, and the Guarantor expressly accepts the jurisdiction of any such court in any such action. The Company hereby accepts the foregoing appointment as agent for service of process.

SECTION 11.11. *Waiver of Immunity.* To the extent that the Guarantor or any of its properties, assets or revenues may have or may hereafter become entitled to, or have attributed to it, any right of immunity, on the grounds of sovereignty or otherwise, from any legal action, suit or proceeding, from the giving of any relief in any thereof, from set-off or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution of judgment, or from execution of judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, in any jurisdiction in which proceedings may at any time be commenced, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with this Indenture or the Securities, the Guarantor, to the maximum extent permitted by law, hereby irrevocably and

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unconditionally waives, and agrees not to plead or claim, any such immunity and consents to such relief and enforcement.

SECTION 11.12. *Judgment Currency.* The Guarantor agrees to indemnify the Trustee and each Holder against any loss incurred by it as a result of any judgment or order being given or made and expressed and paid in a currency (the "Judgment Currency") other than U.S. dollars and as a result of any variation as between (a) the rate of exchange at which the U.S. dollar amount is converted into the Judgment Currency for the purpose of such judgment or order and (b) the spot rate of exchange in The City of New York at which the Trustee or such Holder on the date of payment of such judgment or order is able to purchase U.S. dollars with the amount of the Judgment Currency actually received by the Trustee or such Holder. The foregoing indemnity shall constitute a separate and independent obligation of the Guarantor and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "spot rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of, or conversion into, U.S. dollars.

SECTION 11.13. *No Adverse Interpretation of Other Agreements.* This Indenture may not be used to interpret another indenture, loan or debt agreement of the Company, the Guarantor or any other Subsidiary of the Guarantor. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

SECTION 11.14. *Successors.* All agreements of the Company and the Guarantor in this Indenture and the Securities shall bind their respective successors. All agreements of the Trustee in this Indenture shall bind its successor.

SECTION 11.15. *Severability.* In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 11.16. *Counterpart Originals.* The parties may sign any number of copies of this Indenture by manual or facsimile signature. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

SECTION 11.17. *U.S.A. Patriot Act.* The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

SECTION 11.18. *Force Majeure.* In no event shall the Trustee or the Securities Administrator be liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without

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limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it beyond understood that the Trustee and the Securities Administrator shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

SECTION 11.19. *Table of Contents, Headings, etc.* The Table of Contents and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

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IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the day and year first above written.

Company:

NABORS INDUSTRIES, INC.

By: /s/ Clark Wood
Clark Wood
Controller

Guarantor:

NABORS INDUSTRIES LTD.

By: /s/ Mark D. Andrews

Mark D. Andrews
Corporate Secretary

Trustee:

WILMINGTON TRUST, NATIONAL ASSOCIATION

By: /s/ W. Thomas Morris, II

W. Thomas Morris, II
Vice President

Securities Administrator:

CITIBANK, N.A.

By: /s/ Louis A. Piscitelli

Louis A. Piscitelli
Vice President

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EXHIBIT A

FACE OF NOTE

GLOBAL SECURITY LEGEND

THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE REGISTRAR MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE AND (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

PRIVATE PLACEMENT LEGEND

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS

* These paragraphs should be included only if the Security is a Global Security.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")), OR (B) IT IS A NON-U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, PURSUANT TO RULE 904 OF REGULATION S, AND (2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE RESALE RESTRICTION TERMINATION DATE ONLY (A) TO NABORS INDUSTRIES LIMITED OR ANY OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, PURSUANT TO RULE 904 OF REGULATION S, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE THE SECURITIES LAWS OF ANY OTHER JURISDICTION, INCLUDING ANY STATE OF THE UNITED STATES, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL SATISFACTORY TO EACH OF THEM AND/OR A CERTIFICATE OF TRANSFER OR EXCHANGE IN THE FORM PRESCRIBED IN THE INDENTURE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

BY ITS ACQUISITION AND HOLDING OF THIS SECURITY THE HOLDER THEREOF WILL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT EITHER (I) IT IS NOT AND WILL NOT BE FOR SO LONG AS IT HOLDS ANY SECURITY (OR INTEREST IN A SECURITY) AN EMPLOYEE BENEFIT PLAN OR ARRANGEMENT SUBJECT TO THE FIDUCIARY RESPONSIBILITY REQUIREMENT OF TITLE I OF U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), A "PLAN" OR ARRANGEMENT SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH EMPLOYEE BENEFIT PLAN OR PLAN'S INVESTMENT IN THE ENTITY, OR A GOVERNMENTAL, NON-U.S., CHURCH OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE ("SIMILAR

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LAWS"), OR (II) THE PURCHASE, HOLDING AND DISPOSITION OF THIS SECURITY WILL NOT CONSTITUTE A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR, IN THE CASE OF A GOVERNMENTAL, NON-U.S., CHURCH OR OTHER PLAN, A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAWS.**

** These paragraphs should be included only if the Security is a Restricted Definitive Security or a Restricted Global Security.

Exhibit A-3

NABORS INDUSTRIES, INC.

5.5% SENIOR NOTE DUE 2023

No.

CUSIP No.

\$

Nabors Industries, Inc., a Delaware corporation (the "Company"), for value received promises to pay to _____ or registered assigns, the principal sum of _____ Dollars [or such greater or lesser amount as is indicated on the Schedule of Exchanges of Interests in the Global Securities on the other side of this Security*] on January 15, 2023.

Interest Payment Dates: January 15 and July 15

Record Dates: January 1 and July 1

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

IN WITNESS WHEREOF, the Company has caused this Security to be signed manually or by facsimile by one of its duly authorized officers.

Dated:

NABORS INDUSTRIES, INC.

By: _____

Certificate of Authentication:

This is one of the Securities referred to in the within-mentioned Indenture.

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: **CITIBANK, N.A.**, as Authenticating Agent

By: _____
Authorized Signatory

* This phrase should be included only if the Security is a Global Security.

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REVERSE OF SECURITY

NABORS INDUSTRIES, INC.

5.5% SENIOR NOTE DUE 2023

This Security is one of a duly authorized issue of 5.5% Senior Notes due 2023 (the "Securities") of Nabors Industries, Inc., a Delaware corporation (the "Company").

1. *Interest.* The Company promises to pay interest on the principal amount of this Security at a rate of 5.5% per annum until Maturity. The Company will pay interest semi-annually on January 15 and July 15 of each year (each an "Interest Payment Date"), beginning July 15, 2017, or if any such day is not a Business Day, on the next succeeding Business Day. Interest on this Security will accrue from the most recent Interest Payment Date on which interest has been paid or, if no interest has been paid, from December 9, 2016; provided that if there is no existing Default in the payment of interest, and if this Security is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date. Further, to the extent lawful, the Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal, premium, if any, Additional Amounts, if any, and interest (without regard to any applicable grace period), from time to time on demand at the rate then in effect on the Securities. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. *Method of Payment.* The Company will pay interest on this Security (except defaulted interest) to the Persons who are registered Holders of this Security at the close of business on the record date next preceding the Interest Payment Date, even if this Security is canceled after such record date and on or before such Interest Payment Date. The Holder must surrender this Security to a Paying Agent to collect payments of principal and premium, if any. The Company will pay the principal of and premium, if any, and Additional Amounts, if any, and interest on this Security in money of the United States of America that at the time of payment is legal tender for payment of public and private debts. Payments in respect of the Securities represented by a Global Security (including principal, premium, if any, Additional Amounts, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company. The Company will make all payments in respect of a certificated Security (including principal, premium, if any, Additional Amounts, if any, and interest) at the office or agency of the Paying Agent maintained for such purpose in The City of New York or, at its option, by mailing a check to the registered address of each Holder thereof; provided, however, that payments on a certificated Security will be made by wire transfer to a U.S. dollar account maintained by the payee with a bank in the United States if such Holder elects payment by wire transfer by giving written notice to the Trustee or the Paying Agent to such effect designating such account no later than 30 days immediately preceding the relevant due date for payment (or such other date as the Trustee may accept in its discretion).

3. *Ranking and Guarantees.* This Security is a senior unsecured obligation of the Company and is guaranteed pursuant to guarantees (the "Guarantees") by Nabors Industries Ltd., a Bermuda exempted company (the "Guarantor"). The Guarantees are senior unsecured

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obligations of the Guarantor. References herein to the Indenture or the Securities shall be deemed also to refer to the Guarantees set forth in the Indenture except where the context otherwise requires.

4. *Optional Redemption; Purchases upon Change of Control Triggering Event.*

(a) This Security is redeemable, prior to the Par Call Date, in whole at any time or in part from time to time, at the Company's option, at a Redemption Price equal to the greater of (1) 100% of the principal amount of this Security to be redeemed, or (2) the sum of the present values of the remaining scheduled payments of principal and interest on this Security that would have been due if this Security matured on the Par Call Date (exclusive of interest accrued to the Redemption Date) computed by discounting such payments to the Redemption Date on a semi-annual basis

(assuming a 360-day year consisting of twelve 30-day months) at a rate equal to the sum of 50 basis points plus the Adjusted Treasury Rate on the third Business Day prior to, but excluding, the Redemption Date, as calculated by the Independent Investment Banker, plus, in either case, accrued and unpaid interest hereon, if any, up to, but excluding, the Redemption Date (subject to the right of the holder of record of this Security on the relevant record date to receive interest on the relevant Interest Payment Date as provided in Section 10.04 of the Indenture). Commencing on the Par Call Date, this Security is redeemable in whole at any time or in part from time to time, at the Company's option, at a Redemption Price equal to 100% of the principal amount of this Security to be redeemed, plus accrued and unpaid interest hereon up to, but excluding, the Redemption Date (subject to the right of the holder of record of this Security on the relevant record date to receive interest on the relevant Interest Payment Date as provided in Section 10.04 of the Indenture).

“Adjusted Treasury Rate” means, with respect to any Redemption Date, the yield, under the heading that represents the average for the immediately preceding week, appearing in the most recently published statistical release designated “H.15(519)” or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption “Treasury Constant Maturities” for the maturity corresponding to the Optional Redemption Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life of this Security, yields for the two published maturities most closely corresponding to the Optional Redemption Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semiannual equivalent yield to maturity of the Optional Redemption Comparable Treasury Issue, calculated using a price for the Optional Redemption Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Optional Redemption Comparable Treasury Price for such Redemption Date.

“Independent Investment Banker” means Morgan Stanley & Co. LLC, or if such firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by the Company.

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“Optional Redemption Reference Treasury Dealer” means each of up to five dealers to be selected by the Company and the Guarantor, and their respective successors; provided that if any of the foregoing ceases to be, and has no affiliate that is, a primary U.S. governmental securities dealer (a “Primary Treasury Dealer”), the Company and the Guarantor will substitute for it another Primary Treasury Dealer.

“Optional Redemption Comparable Treasury Issue” means the U.S. Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the Securities to be redeemed, determined as if the maturity date of such Securities were the Par Call Date (the “Remaining Life”), that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Remaining Life of this Security, or, if, in the reasonable judgment of the Independent Investment Banker, there is no such security, then the Optional Redemption Comparable Treasury Issue will mean the U.S. Treasury security or securities selected by the Independent Investment Banker as having an actual or interpolated maturity or maturities comparable to the Remaining Life of this Security.

“Optional Redemption Comparable Treasury Price” means, as determined by the Independent Investment Banker, (1) the average of five Optional Redemption Reference Treasury Dealer Quotations for the applicable Redemption Date, after excluding the highest and lowest Optional Redemption Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Optional Redemption Reference Treasury Dealer Quotations, the average of all such quotations.

“Optional Redemption Reference Treasury Dealer Quotations” means, with respect to each Optional Redemption Reference Treasury Dealer and any Redemption Date for this Security, the average, as determined by the Independent Investment Banker of the bid and asked prices for the Optional Redemption Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker, the Securities Administrator and the Trustee at 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

“Par Call Date” means November 15, 2022.

Notice of any redemption may be given and any redemption of Securities may, at the Company's discretion, be subject to one or more conditions precedent.

(b) Upon the occurrence of a Change of Control Triggering Event, the Holder shall have the right to require the Company to purchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of this Security, pursuant to a Change of Control Offer made in accordance with Section 3.10 of the Indenture, at a purchase price in cash equal to 101% of the principal amount hereof, plus accrued and unpaid interest hereon up to, but excluding, the Change of Control Payment Date (subject to the right of the holder of record of this Security on the relevant record date to receive interest on the relevant Interest Payment Date as provided in Section 3.10 of the Indenture), except to the extent that the Company shall have exercised its right to redeem this Security pursuant to the preceding paragraph (a).

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(c) If Holders of not less than 90% in aggregate principal amount of the outstanding Securities validly tender and do not withdraw their Securities in a Change of Control Offer and the Company, or any third party making a Change of Control Offer in lieu of the Company, purchases all of the Securities validly tendered and not withdrawn by such Holders, the Company shall have the right, upon not less than 30 nor more than 60 days' prior notice, given not more than 30 days following such purchase pursuant to such Change of Control Offer, to redeem this

Security and all other Securities that remain outstanding following such purchase at a Redemption Price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, up to, but excluding, the Redemption Date (subject to the right of the holder of record of this Security on the relevant record date to receive interest on the relevant Interest Payment Date as provided in Section 10.04 of the Indenture).

5. *Paying Agent and Registrar.* Initially, Citibank, N.A., the Securities Administrator under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Guarantor or any of its Subsidiaries may act in any such capacity.

6. *Indenture.* The Company issued this Security under an Indenture dated as of December 9, 2016 (as amended, supplemented or otherwise modified from time to time, the “Indenture”) among the Company, the Guarantor, Wilmington Trust, National Association (the “Trustee”) and the Securities Administrator. The terms of this Security include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code Sections 77aaa-77bbb). This Security and the Guarantees are subject to all such terms, and Holders are referred to the Indenture and the Trust Indenture Act for a statement of such terms. To the extent any provision of this Security conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling (to the extent permitted by law). The Securities are unsecured obligations of the Company. The Company initially has issued \$600,000,000 aggregate principal amount of Securities. The Company may issue Additional Securities under the Indenture, provided that no Additional Securities may be issued at a price that would cause such Additional Securities to have “original issue discount” within the meaning of Section 1273 of the Code. Capitalized terms used but not defined in this Security have the respective meanings given to such terms in the Indenture.

7. *Denominations, Transfer, Exchange.* The Securities are issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The transfer of this Security may be registered and this Security may be exchanged only as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any transfer tax or similar governmental charge or other fee required by law and payable in connection therewith. The Registrar need not exchange or register the transfer of this Security during the period between a record date and the corresponding Interest Payment Date.

8. *Persons Deemed Owners.* The registered Holder of a Security shall be treated as its owner for all purposes.

9. *Amendments and Waivers.* Subject to certain exceptions and limitations, the Indenture or this Security may be amended or supplemented with the consent of the Holders of a

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majority in aggregate principal amount of the then outstanding Securities, and compliance in a particular instance by the Company or the Guarantor with any provision of the Indenture may be waived (other than certain provisions, including any continuing Default or Event of Default in the payment of the principal of or premium, if any, Additional Amounts, if any, or interest on the Securities) by the Holders of a majority in aggregate principal amount of the Securities then outstanding in accordance with the terms of Section 8.02 of the Indenture. Without the consent of any Holder, the Company, the Guarantor and the Trustee may amend or supplement this Security as provided in Section 8.01 of the Indenture.

The right of any Holder to participate in any consent required or sought pursuant to any provision of the Indenture (and the obligation of the Company to obtain any such consent otherwise required from such Holder) may be subject to the requirement that such Holder shall have been the Holder of record of this Security as of a record date fixed by the Company in accordance with the terms of the Indenture.

10. *Defaults and Remedies.* Events of Default include: (i) default in the payment of the principal of or premium, if any, on any Security at its Maturity, and continuance of such default for a period of 10 days; or (ii) default in the payment of interest or Additional Amounts, if any, upon any of the Securities when they become due and payable, and continuance of such default for a period of 30 days; or (iii) default in the performance or observance, or breach, of any covenant of the Company or the Guarantor in any Security or the Indenture (other than a covenant a default in whose performance or whose breach is elsewhere in Section 5.01 of the Indenture specifically dealt with), and continuance of such default or breach for a period of 90 days after there has been given, in conformity with Section 11.02 of the Indenture, to the Company and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Securities a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” under the Indenture; or (iv) certain events specified in the Indenture relating to the bankruptcy, insolvency or reorganization of the Company or the Guarantor; or (v) the Guarantees cease to be in full force and effect or become unenforceable or invalid or are declared null and void (other than in accordance with the terms of such Guarantees) or the Guarantor denies or disaffirms its obligations under such Guarantees.

If an Event of Default (other than an Event of Default referred to in clause (iv) of the preceding paragraph) occurs and is continuing, the Trustee by notice to the Company and the Guarantor, or by the Holders of at least 25% in aggregate principal amount of the then outstanding Securities by written notice to the Company, the Guarantor and the Trustee, may declare all of the then outstanding Securities to be due and payable immediately. If an Event of Default referred to in such clause (iv) occurs, acceleration of all amounts payable on the Securities shall be automatic. The amount due and payable upon the acceleration of any Security is equal to 100% of the principal amount thereof plus premium, if any, Additional Amounts, if any, and accrued and unpaid interest to the date of payment. Holders may not enforce the Indenture or this Security except as provided in the Indenture. The Trustee does not require indemnity reasonably satisfactory to it before it enforces the Indenture or this Security. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing default (except a default in payment of

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principal, premium, if any, Additional Amounts, if any, or interest) if it determines that withholding notice is in their interests. Each of the Company and the Guarantor must furnish an annual compliance certificate to the Trustee.

11. *Additional Amounts.* If the Company or the Guarantor is required to withhold or deduct any amount for or on account of any Taxes for any payment made under or with respect to this Security, it will pay any Additional Amounts.

12. *Discharge or Defeasance Prior to Maturity.* The Indenture shall be satisfied and discharged upon the payment of all of the Securities, and it may be satisfied and discharged (except for certain obligations) upon the irrevocable deposit with the Trustee of cash, or U.S. Government Obligations or a combination thereof sufficient for such payment. The Indenture also contains provisions for defeasance of (i) the entire indebtedness of the Company on the Securities and (ii) certain restrictive covenants and the related Events of Default, subject to compliance by the Company with certain conditions set forth in the Indenture.

13. *Trustee Dealings with the Company and the Guarantor.* The Trustee in its individual or any other capacity may become the owner or pledgee of this Security and may otherwise deal with the Company, the Guarantor or any of their Affiliates with the same rights it would have if it were not the Trustee.

14. *No Recourse Against Others.* A director, officer, employee or stockholder of the Company or the Guarantor, as such, shall not have any liability for any obligations of the Company or the Guarantor under this Security, the Guarantees or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. Each Holder by accepting this Security waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Security.

15. *Authentication.* This Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose until authenticated by the manual signature of an authorized signatory of the Trustee, which signature shall be conclusive evidence that this Security has been authenticated under the Indenture.

16. *CUSIP Numbers.* Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused a CUSIP number to be printed on this Security as a convenience to the Holders of this Security. No representation is made as to the correctness of such number either as printed on this Security or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on this Security.

17. *Abbreviations.* Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

18. *[Additional Rights of Holders of Restricted Global Securities and Restricted Definitive Securities.* In addition to the rights provided to Holders of Securities under the Indenture, Holders of Securities will have the rights set forth in the Registration Rights

Exhibit A-10

Agreement respecting the Securities, dated as of December 9, 2016, among the Company, the Guarantor and the other parties named on the signature pages thereof.]*

19. *Governing Law.* The Indenture, this Security and the Guarantees shall be governed by and construed in accordance with, the laws of the State of New York.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Request may be made to it at:

Nabors Industries, Inc.
515 West Greens Road, Suite 1200
Houston, Texas 77067
Attention: General Counsel
Telephone No.: (281) 874-0035
Telecopier No.: (281) 775-8431

* Delete for Exchange Security

Exhibit A-11

FORM OF NOTATION ON SECURITY RELATING TO GUARANTEES

The Guarantor (which term includes any successor Person in such capacity under the Indenture), has fully, unconditionally and absolutely guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture, the due and punctual payment of the principal of and premium, if any, Additional Amounts, if any, and interest on these Securities and all other amounts due and payable under the Indenture by the Company with respect to these Securities.

The obligations of the Guarantor to the Holders of Securities and to the Trustee pursuant to the Guarantees and the Indenture are expressly set forth in Article IX of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantees.

Guarantor:

NABORS INDUSTRIES LTD.

By: _____
Name: _____
Title: _____

Exhibit A-12

ASSIGNMENT FORM

To assign this Security, fill in the form below: (I) or (we) assign and transfer this Security to: _____

(Insert assignee's social security or tax I.D. number)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ as agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Security)

Signature Guarantee: _____
(Participant in a Recognized Signature Guaranty Medallion Program)

Exhibit A-13

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL SECURITY**

The following increases or decreases in the principal amount of this Global Security have been made:

Date of Transaction	Amount of Decrease in Principal Amount of Global Security	Amount of Increase in Principal Amount of Global Security	Principal Amount of Global Security Following Such Decrease (or Increase)	Signature of Authorized Signatory, Trustee or Securities Custodian

** This Schedule should be included only if the Security is a Global Security.

Exhibit A-14

Option of Holder to Elect Purchase

If you want to elect to have this Security purchased by the Company pursuant to Section 3.10 of the Indenture, check the box below:

If you want to elect to have only part of the Security purchased by the Company pursuant to Section 3.10 of the Indenture, state the amount you elect to have purchased:

\$

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Security)

Tax Identification No.: _____

Signature Guarantee:** _____

** Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

Exhibit A-15

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Nabors Industries, Inc.
515 West Greens Road, Suite 1200
Houston, Texas 77067
Attention: General Counsel

Wilmington Trust, National Association
Rodney Square North
1100 N. Market Street
Wilmington, Delaware 19890
Attention: Nabors Industries Administrator

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, New York 10013
Attention: Louis A. Piscitelli

Re: 5.5% Senior Notes due 2023

Reference is hereby made to the Indenture, dated as of December 9, 2016 (the "Indenture"), among Nabors Industries, Inc., as issuer (the "Company"), Nabors Industries Ltd., as guarantor (the "Guarantor"), Wilmington Trust, National Association, as trustee, and Citibank, N.A., as securities administrator. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

(the "Transferor") owns and proposes to transfer the Security[ies] or beneficial interest in such Security[ies] specified in Annex A hereto, in the principal amount of \$ _____ (the "Transfer"), to _____ (the "Transferee"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. CHECK IF TRANSFEREE IS A QIB IN ACCORDANCE WITH RULE 144A. The Transfer is being effected pursuant to and in accordance with Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Security is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Security for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the

Exhibit B-1

144A Global Security or the Restricted Definitive Security and in the Indenture and the Securities Act.

2. CHECK IF TRANSFEREE WILL TAKE DELIVERY PURSUANT TO REGULATION S. The Transfer is being effected pursuant to and in accordance with Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not

being made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the Transfer is being made prior to the expiration of the Restricted Period, the Transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Regulation S Global Security or the Restricted Definitive Security and in the Indenture and the Securities Act.

3. CHECK IF TRANSFEREE WILL TAKE DELIVERY PURSUANT TO ANY PROVISION OF THE SECURITIES ACT OTHER THAN RULE 144A OR REGULATION S. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Securities and Restricted Definitive Securities and pursuant to and in accordance with the Securities Act (other than Rule 144A or Regulation S) and any applicable "blue sky" securities laws of any state of the United States.

4. CHECK AND COMPLETE IF TRANSFEREE WILL TAKE DELIVERY OF A BENEFICIAL INTEREST IN AN UNRESTRICTED GLOBAL SECURITY OR OF AN UNRESTRICTED DEFINITIVE SECURITY:

(a) CHECK IF TRANSFER IS PURSUANT TO RULE 144. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Securities or Restricted Definitive Securities and in the Indenture.

(b) CHECK IF TRANSFER IS PURSUANT TO REGULATION S. (i) The Transfer is being effected pursuant to and in accordance with Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable

Exhibit B-2

blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Securities or Restricted Definitive Securities and in the Indenture.

(c) CHECK IF TRANSFER IS PURSUANT TO OTHER EXEMPTION. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Security will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Securities or Restricted Definitive Securities and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Guarantor.

[Insert Name of Transferor]

By: _____
Name: _____
Title: _____

Dated: _____,

Exhibit B-3

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

- (a) a beneficial interest in a Global Security (CUSIP []), or
- (b) a Restricted Definitive Security (CUSIP []).

2. After the Transfer the Transferee will hold:

[CHECK ONE]

- (a) a beneficial interest in a Global Security (CUSIP []); or
- (b) a Restricted Definitive Security (CUSIP []); or
- (c) an Unrestricted Definitive Security (CUSIP []), in accordance with the terms of the Indenture.

Exhibit B-4

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Nabors Industries, Inc.
515 West Greens Road, Suite 1200
Houston, Texas 77067
Attention: General Counsel

Wilmington Trust, National Association
Rodney Square North
1100 N. Market Street
Wilmington, Delaware 19890
Attention: Nabors Industries Administrator

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, New York 10013
Attention: Louis A. Piscitelli

Re: 5.5% Senior Notes due 2023
CUSIP 629568 BC9(1)
CUSIP U6295Y AH6(2)

Reference is hereby made to the Indenture, dated as of December 9, 2016 (the "Indenture"), among Nabors Industries, Inc., as issuer (the "Company"), Nabors Industries Ltd., as guarantor (the "Guarantor"), Wilmington Trust, National Association, as trustee, and Citibank, N.A., as securities administrator. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

(the "Owner") owns and proposes to exchange the Security[ies] or beneficial interest in such Security[ies] specified above, in the principal amount of \$ (the "Exchange"). In connection with the Exchange, the Owner hereby certifies that:

1. EXCHANGE OF RESTRICTED DEFINITIVE SECURITIES OR BENEFICIAL INTERESTS IN A RESTRICTED GLOBAL SECURITY FOR UNRESTRICTED DEFINITIVE SECURITIES OR BENEFICIAL INTERESTS IN AN UNRESTRICTED GLOBAL SECURITY:

(a) CHECK IF EXCHANGE IS FROM BENEFICIAL INTEREST IN A RESTRICTED GLOBAL SECURITY TO BENEFICIAL INTEREST IN AN UNRESTRICTED

-
- (1) For Securities sold in reliance on Rule 144A.
 - (2) For Securities sold in reliance on Regulation S.

Exhibit C-1

GLOBAL SECURITY. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Security for a beneficial interest in an Unrestricted Global Security in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Securities and pursuant to and in accordance with the Securities Act of 1933, as amended (the "Securities Act"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Security is being acquired in compliance with any applicable "blue sky" securities laws of any state of the United States.

(b) CHECK IF EXCHANGE IS FROM BENEFICIAL INTEREST IN A RESTRICTED GLOBAL SECURITY TO UNRESTRICTED DEFINITIVE SECURITY. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Security for an Unrestricted Definitive Security, the Owner hereby certifies (i) the Definitive Security is being acquired for the Owner's own account without

transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Security is being acquired in compliance with any applicable “blue sky” securities laws of any state of the United States.

(c) CHECK IF EXCHANGE IS FROM RESTRICTED DEFINITIVE SECURITY TO BENEFICIAL INTEREST IN AN UNRESTRICTED GLOBAL SECURITY. In connection with the Owner’s Exchange of a Restricted Definitive Security for a beneficial interest in an Unrestricted Global Security, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable “blue sky” securities laws of any state of the United States.

(d) CHECK IF EXCHANGE IS FROM RESTRICTED DEFINITIVE SECURITY TO UNRESTRICTED DEFINITIVE SECURITY. In connection with the Owner’s Exchange of a Restricted Definitive Security for an Unrestricted Definitive Security, the Owner hereby certifies (i) the Unrestricted Definitive Security is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Security is being acquired in compliance with any applicable “blue sky” securities laws of any state of the United States.

2. EXCHANGE OF RESTRICTED DEFINITIVE SECURITIES OR BENEFICIAL INTERESTS IN RESTRICTED GLOBAL SECURITIES FOR RESTRICTED DEFINITIVE SECURITIES OR BENEFICIAL INTERESTS IN RESTRICTED GLOBAL SECURITIES:

Exhibit C-2

(a) CHECK IF EXCHANGE IS FROM BENEFICIAL INTEREST IN A RESTRICTED GLOBAL SECURITY TO RESTRICTED DEFINITIVE SECURITY. In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for a Restricted Definitive Security with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Security is being acquired for the Owner’s own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Security issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Security and in the Indenture and the Securities Act.

(b) CHECK IF EXCHANGE IS FROM RESTRICTED DEFINITIVE SECURITY TO BENEFICIAL INTEREST IN A RESTRICTED GLOBAL SECURITY. In connection with the Exchange of the Owner’s Restricted Definitive Security for a beneficial interest in the [CHECK ONE] [] 144A Global Security or [] Regulation S Global Security in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Securities and pursuant to and in accordance with the Securities Act, and in compliance with any applicable “blue sky” securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Security and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Guarantor.

[Insert Name of Owner]

By: _____
Name:
Title:

Dated: _____,

Exhibit C-3

EX-4.2 3 a16-20951_3ex4d2.htm EX-4.2

Exhibit 4.2

NABORS INDUSTRIES, INC.

\$600,000,000 5.5% Senior Notes due 2023

REGISTRATION RIGHTS AGREEMENT

New York, New York
December 9, 2016

1858 Broadway
New York, New York 10036

As Representative of the Initial
Purchasers named in Schedule A
hereto

Ladies and Gentlemen:

Nabors Industries, Inc., a corporation organized under the laws of the State of Delaware (the “*Company*”), proposes to issue and sell to the several initial purchasers named in Schedule A hereto (the “*Initial Purchasers*”), upon the terms set forth in a purchase agreement, dated December 2, 2016 (the “*Purchase Agreement*”), \$600,000,000 aggregate principal amount of its 5.5% Senior Notes due 2023 (the “*Notes*”) relating to the initial placement of the Notes (the “*Initial Placement*”). The Notes will be unconditionally guaranteed (the “*Guarantee*” and together with the Notes, the “*Securities*”) on a senior basis by Nabors Industries Ltd., a Bermuda company (the “*Guarantor*”). To satisfy a condition to the obligations of the Initial Purchasers under the Purchase Agreement, the Company and the Guarantor agree with the Initial Purchasers for the benefit of the holders from time to time of the Securities (including the Initial Purchasers) and the New Securities (as defined herein) (each a “*Holder*” and, together, the “*Holder*s”), as follows:

1. **Definitions.** Capitalized terms used herein without definition shall have their respective meanings set forth in the Purchase Agreement. As used in this Registration Rights Agreement (this “*Agreement*”), the following capitalized defined terms shall have the following meanings:

“*Act*” shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

“*Affiliate*” of any specified Person shall have the same meaning as in Rule 501(b) of Regulation D of the Act.

“*Agreement*” shall have the meaning set forth in this Section 1 hereof.

“*Broker-Dealer*” shall mean any broker or dealer registered as such under the Exchange Act.

“*Business Day*” shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City.

“*Closing Date*” shall mean the date on which the Securities are initially issued.

“*Commission*” shall mean the Securities and Exchange Commission.

“*Exchange Act*” shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

“*Exchange Offer Registration Period*” shall mean the 180-day period following the effective date of the Exchange Offer Registration Statement, exclusive of any period during which any stop order shall be in effect suspending the effectiveness of the Exchange Offer Registration Statement, or such shorter period as will terminate when (i) all New Securities held by Exchanging Dealers or Initial Purchasers have been sold pursuant thereto or (ii) Exchanging Dealers are no longer required to deliver a Prospectus in connection with market-making or other trading activities, whichever occurs first.

“*Exchange Offer Registration Statement*” shall mean a registration statement of the Company and the Guarantor on an appropriate form under the Act with respect to the Registered Exchange Offer, all amendments and supplements to such registration statement, including post-effective amendments thereto, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“*Exchanging Dealer*” shall mean any Holder (which may include any of the Initial Purchasers) that is a Broker-Dealer and elects to exchange for New Securities any Securities that it acquired for its own account as a result of market-making activities or other trading activities (but not directly from the Company or any Affiliate of the Company).

“*Free Writing Prospectus*” shall mean each free writing prospectus (as defined in Rule 405 under the Act) prepared by or on behalf of the Company (or any of its agents or representatives) or used or referred to by the Company (or any of its agents or representatives) in connection with the sale of the Securities or the New Securities.

“*Holder*” shall have the meaning set forth in the preamble hereto.

“*Indenture*” shall mean the Indenture relating to the Securities, dated as of December 9, 2016, among the Company, the Guarantor, Wilmington Trust, National Association, as trustee, and Citibank, N.A., as securities administrator, as the same may be amended from time to time in accordance with the terms thereof.

“*Initial Placement*” shall have the meaning set forth in the preamble hereto.

“*Initial Purchasers*” shall have the meaning set forth in the preamble hereto.

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“*Losses*” shall have the meaning set forth in Section 7(a) hereof.

“*Majority Holders*” shall mean the Holders of a majority of the aggregate principal amount of Notes and/or New Notes, as applicable, registered under a Registration Statement.

“*Managing Underwriters*” shall mean the investment banker or investment bankers and manager or managers that shall administer an underwritten offering.

“*Memorandum*” shall have the meaning set forth in the Purchase Agreement.

“*New Notes*” shall mean debt securities of the Company, guaranteed by the Guarantor, identical in all material respects to the Notes (except that the Special Interest provisions and the transfer restrictions shall be modified or eliminated, as appropriate) and to be issued under the Indenture or the New Securities Indenture.

“*New Securities*” shall mean debt securities of the Company and the Related Guarantees of the Guarantor, identical in all material respects to the Securities (except that the Special Interest provisions and the transfer restrictions shall be modified or eliminated, as appropriate) and to be issued under the Indenture or the New Securities Indenture.

“*New Securities Indenture*” shall mean an indenture among the Company, the Guarantor and the New Securities Trustee, identical in all material respects to the Indenture (except that Special Interest provisions will be eliminated).

“*New Securities Trustee*” shall mean a bank or trust company reasonably satisfactory to the Initial Purchasers, as trustee with respect to the New Securities under the New Securities Indenture.

“*Prospectus*” shall mean the prospectus included in, or, pursuant to the rules and regulations of the Act, deemed a part of, a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Securities or the New Securities covered by such Registration Statement, and by all other amendments and supplements to such prospectus, and in each case including any document incorporated by reference therein..

“*Purchase Agreement*” shall have the meaning set forth in the preamble hereto.

“*Registered Exchange Offer*” shall mean the proposed offer by the Company to issue and deliver to the Holders of Securities that are not prohibited by any law or policy of the Commission from participating in such offer, in exchange for such Securities, a like aggregate principal amount of the New Notes and Related Guarantees.

“*Registration Default*” shall have the meaning set forth in Section 4.

“*Registration Statement*” shall mean any Exchange Offer Registration Statement or Shelf Registration Statement that covers any of the Securities or the New Securities pursuant

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to the provisions of this Agreement, any amendments and supplements to such registration statement, including post-effective amendments (in each case including the Prospectus contained therein), all exhibits thereto and all material incorporated by reference therein.

“*Related Guarantees*” shall mean the guarantees of the Guarantor to be issued under the Indenture or the New Securities Indenture in respect of New Notes.

“*Securities*” shall have the meaning set forth in the preamble hereto.

“*Shelf Registration*” shall mean a registration effected pursuant to Section 3 hereof.

“*Shelf Registration Period*” has the meaning set forth in Section 3(b) hereof.

“*Shelf Registration Statement*” shall mean a “shelf” registration statement of the Company and the Guarantor on an appropriate form pursuant to the provisions of Section 3 hereof which covers some or all of the Securities and/or New Securities, as applicable, providing for sales of such Securities or New Securities, as applicable, on a delayed on continuous basis pursuant to Rule 415 under the Act, or any similar rule that may be adopted by the Commission, amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein, all exhibits thereto and all material incorporated by reference therein.

“*Special Interest*” shall have the meaning set forth in Section 4 hereof.

“*Trust Indenture Act*” shall mean the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission promulgated thereunder and any successor act, rules and regulations.

“*Trustee*” shall mean the trustee with respect to the Securities and New Securities under the Indenture.

“*Underwriter*” shall mean any underwriter of Securities or New Securities in connection with an offering thereof under a Registration Statement.

2. Registered Exchange Offer.

(a) Except as set forth in Section 3 below, the Company and the Guarantor shall prepare, at their cost, and shall file with the Commission the Exchange Offer Registration Statement with respect to the Registered Exchange Offer. The Company and the Guarantor shall use their reasonable best efforts to cause the Exchange Offer Registration Statement to become effective under the Act not later than October 5, 2017.

(b) Upon the effectiveness of the Exchange Offer Registration Statement, the Company and the Guarantor shall promptly commence the Registered Exchange Offer.

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(c) In connection with the Registered Exchange Offer, the Company and the Guarantor shall:

(i) mail or otherwise furnish in accordance with Commission rules under the rules of any applicable depository to each Holder a copy of the Prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents, if then required by the rules of the applicable depository;

(ii) commence and use their reasonable best efforts to complete the Registered Exchange Offer promptly, but no later than November 4, 2017, and hold the Registered Exchange Offer open for not less than 20 Business Days;

(iii) use their reasonable best efforts to keep the Exchange Offer Registration Statement continuously effective under the Act, supplemented and amended as required under the Act to ensure that it is available for sales of New Securities by Exchanging Dealers or the Initial Purchasers during the Exchange Offer Registration Period;

(iv) utilize the services of a depository for the Registered Exchange Offer, which may be the Trustee, the New Securities Trustee or an Affiliate of either of them;

(v) permit Holders to withdraw tendered Securities at any time prior to the close of business, New York time, on the last Business Day on which the Registered Exchange Offer is open; and

(vi) comply in all material respects with all applicable laws.

(d) As soon as practicable after the close of the Registered Exchange Offer, the Company and the Guarantor shall:

(i) accept for exchange all Notes tendered and not validly withdrawn pursuant to the Registered Exchange Offer;

(ii) deliver to the Trustee for cancellation in accordance with Section 5(r) all Notes so accepted for exchange; and

(iii) cause the Trustee or New Securities Trustee, as the case may be, promptly to authenticate and deliver to each Holder of Securities a principal amount of New Notes equal to the principal amount of the Notes of such Holder so accepted for exchange.

(e) Each Holder hereby acknowledges and agrees that any Broker-Dealer and any such Holder using the Registered Exchange Offer to participate in a distribution of the New Securities (x) could not under Commission policy as in effect on the date of this Agreement rely on the position of the Commission in Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991) and Exxon Capital Holdings Corporation (pub. avail. May 13,

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1988), as interpreted in the Commission’s letter to Shearman & Sterling dated July 2, 1993 and similar no-action letters; and (y) must comply with the registration and prospectus delivery requirements of the Act in connection with any secondary resale transaction which must be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K under the Act if the resales are of New Securities obtained by such Holder in exchange for Securities acquired by such Holder directly from the Company or one of its Affiliates. Accordingly, each Holder participating in the Registered Exchange Offer shall be required to represent to the Company and the Guarantor that, at the time of the consummation of the Registered

Exchange Offer:

- (i) any New Securities received by such Holder will be acquired in the ordinary course of business;
- (ii) such Holder will have no arrangement or understanding with any Person to participate in the distribution of the Securities or the New Securities within the meaning of the Act;
- (iii) such Holder is not an Affiliate of the Company or the Guarantor or if it is an Affiliate, such Holder will comply with the registration and prospectus delivery requirements of the Act to the extent applicable;
- (iv) if such Holder is not a Broker-Dealer, that it is not engaged in, and does not intend to engage in, the distribution of the New Securities; and
- (v) if such Holder is a Broker-Dealer, that it will receive New Securities for its own account in exchange for Securities that were acquired as a result of market-making activities or other trading activities and that it will deliver a prospectus in connection with any resale of such New Securities.

3. Shelf Registration.

(a) If (i) due to any change in law or applicable interpretations thereof by the Commission's staff, the Company determines upon advice of its outside counsel that it is not permitted to effect the Registered Exchange Offer as contemplated by Section 2 hereof; (ii) for any other reason the Exchange Offer Registration Statement is not declared effective by October 5, 2017 or the Registered Exchange Offer is not consummated by November 4, 2017; (iii) the Initial Purchasers determine upon advice of their counsel that a Shelf Registration Statement must be filed in connection with any public offering or sale of Securities that are not eligible to be exchanged for New Securities in the Registered Exchange Offer and that are held by them following consummation of the Registered Exchange Offer; or (iv) any Holder (other than the Initial Purchasers) is not eligible to participate in the Registered Exchange Offer or does not receive freely tradeable New Securities in the Registered Exchange Offer other than by reason of such Holder being an Affiliate of the Company (it being understood that the requirement that a participating Broker-Dealer deliver the prospectus contained in the Exchange Offer Registration Statement in connection with sales of New Securities shall

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not result in such New Securities being not "freely tradeable"), the Company and the Guarantor shall effect a Shelf Registration Statement in accordance with subsection (b) below.

(b) If required pursuant to subsection (a) above,

(i) the Company and the Guarantor, at their cost, shall as promptly as practicable, but in no event later than 90 days after such obligation to file arises, file with the Commission and use their reasonable best efforts to cause to become effective under the Act as soon as practicable, but in no event later than 180 days after the obligation to file the Shelf Registration Statement arises, a Shelf Registration Statement relating to the offer and sale of the Securities or the New Securities, as applicable, by the Holders thereof from time to time in accordance with the methods of distribution elected by such Holders and set forth in such Shelf Registration Statement; provided, however, that no Holder (other than the Initial Purchasers) shall be entitled to have the Securities or New Securities held by it covered by such Shelf Registration Statement unless such Holder agrees in writing to be bound by all of the provisions of this Agreement applicable to such Holder; and provided further, that with respect to New Securities received by the Initial Purchasers in exchange for Securities constituting any portion of an unsold allotment, the Company and the Guarantor may, if permitted by current interpretations by the Commission's staff, file a post-effective amendment to the Exchange Offer Registration Statement containing the information required by Item 507 or 508 of Regulation S-K, as applicable, in satisfaction of their obligations under this subsection with respect thereto, and any such Exchange Offer Registration Statement, as so amended, shall be referred to herein as, and governed by the provisions herein applicable to, a Shelf Registration Statement;

(ii) the Company and the Guarantor shall use their reasonable best efforts to keep the Shelf Registration Statement continuously effective, supplemented and amended as required by the Act, in order to permit the Prospectus forming part thereof to be usable by Holders until the earliest of (A) the time when all of the Securities or New Securities, as applicable, covered by the Shelf Registration Statement can be sold pursuant to Rule 144 without limitation by non-affiliates of the Company under clause (b)(i) of Rule 144, (B) the date on which all the Securities or New Securities, as applicable, covered by the Shelf Registration Statement have been sold pursuant to the Shelf Registration Statement, and (C) one year from the date the Shelf Registration Statement is declared effective by the Commission (in any such case, such period being called the "*Shelf Registration Period*"); it being understood that the Company and the Guarantor shall be deemed not to have used their reasonable best efforts to keep the Shelf Registration Statement effective during the requisite period if they voluntarily take any action that would result in Holders of Securities or New Securities covered thereby not being able to offer and sell such Securities or New Securities during that period, unless (A) such action is required by applicable law; or (B) such action is taken by the Company and the Guarantor in good faith and

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for valid business reasons (not including avoidance of the Company's and the Guarantor's obligations hereunder), including, but not limited to, the acquisition or divestiture of assets, so long as the Company and the Guarantor promptly thereafter comply with the requirements of Section 5(k) hereof, if applicable; and

(iii) the Company and the Guarantor shall cause the Shelf Registration Statement and the related Prospectus and any amendment or supplement thereto, as of the effective date of the Shelf Registration Statement or such amendment or supplement, (A) to comply in all material respects with the applicable requirements of the Act and the rules and regulations of the Commission; and (B) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

4. Special Interest. If (x) any Registration Statement required to be filed pursuant to Section 2 or 3 of this Agreement is not declared effective within the timeframe required by this Agreement, (y) the Registered Exchange Offer is not completed by November 4, 2017 and the Company has not complied with its obligations in Section 3 hereof or (z) after either the Exchange Offer Registration Statement or the Shelf Registration Statement has become effective, such Registration Statement thereafter ceases to be effective or usable in connection with resales of Securities or New Securities in accordance with and during the periods specified in this Agreement (each such event referred to in clauses (x), (y) and (z), a "*Registration Default*"), then, as liquidated damages, interest ("*Special Interest*") will accrue on the principal amount of the Securities and the New Securities (in addition to the stated interest on the Securities and New Securities) from and including the date on which any such Registration Default shall occur to but excluding the date on which all Registration Defaults have been cured. Special Interest will accrue at a rate of 0.25% per annum.

All obligations of the Company and the Guarantor set forth in the preceding paragraph that are outstanding with respect to any Security at the time such Security is exchanged for a New Security shall survive until such time as all such obligations with respect to such Security have been satisfied in full.

5. Additional Registration Procedures. In connection with any Shelf Registration Statement and, to the extent applicable, any Exchange Offer Registration Statement, the following provisions shall apply.

(a) The Company and the Guarantor shall:

(i) furnish to the Initial Purchasers, not less than five Business Days prior to the filing thereof with the Commission, a draft copy of any Exchange Offer Registration Statement and any Shelf Registration Statement, and each amendment thereof and each amendment or supplement, if any, to the Prospectus included therein (including all documents incorporated by reference therein after the initial filing) and shall use their reasonable best efforts to reflect

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in each such document, when so filed with the Commission, such comments as the Initial Purchasers reasonably propose;

(ii) include the information to the effect of that set forth in:

(A) Annex A and Annex B hereto in the forepart of the Prospectus contained in the Exchange Offer Registration Statement,

(B) Annex C hereto in the underwriting or plan of distribution section of the Prospectus contained in the Exchange Offer Registration Statement, and

(C) Annex D hereto in the letter of transmittal delivered pursuant to the Registered Exchange Offer;

(iii) if requested by the Initial Purchasers, include the information required by Item 507 or 508 of Regulation S-K, as applicable, in the Prospectus contained in the Exchange Offer Registration Statement; and

(iv) in the case of a Shelf Registration Statement, include the names of the Holders that propose to sell Securities or New Securities, as applicable, pursuant to the Shelf Registration Statement as selling security holders.

(b) The Company and the Guarantor shall ensure that:

(i) any Registration Statement and any amendment thereto and any Prospectus forming part thereof and any amendment or supplement thereto complies in all material respects with the Act and the rules and regulations thereunder; and

(ii) any Registration Statement and any amendment thereto does not, when it becomes effective (within the meaning of Rule 430B under the Act), contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(c) The Company and the Guarantor shall advise the Initial Purchasers, the Holders of Securities or New Securities covered by any Shelf Registration Statement and any Exchanging Dealer under any Exchange Offer Registration Statement that has

provided in writing to the Company and the Guarantor a telephone or facsimile number and address for notices, and, if requested by the Initial Purchasers or any such Holder or Exchanging Dealer shall confirm such advice in writing (which notice pursuant to clauses (ii)-(v) hereof shall be accompanied by an instruction to suspend the use of the Prospectus until the Company and the Guarantor shall have remedied the basis for such suspension):

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(i) when a Registration Statement and any amendment thereto has been filed with the Commission and when such Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission for any amendment or supplement to the Registration Statement or the Prospectus or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings for that purpose;

(iv) of the receipt by the Company and the Guarantor of any notification with respect to the suspension of the qualification of the Securities or New Securities included therein for sale in any jurisdiction or the initiation of any proceeding for such purpose; and

(v) of the happening of any event that requires any change in the Registration Statement or the Prospectus so that, as of such date, the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in the light of the circumstances under which they were made) not misleading.

(d) The Company and the Guarantor shall use their reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of any Registration Statement or the qualification of the Securities or New Securities therein for sale in any jurisdiction at the earliest possible time.

(e) The Company and the Guarantor shall furnish to each Holder of Securities or New Securities covered by any Shelf Registration Statement, without charge, at least one copy of such Shelf Registration Statement and any post-effective amendment thereto, and, if the Holder so requests in writing, all material incorporated therein by reference and all exhibits thereto (including exhibits incorporated by reference therein).

(f) The Company and the Guarantor shall, during the Shelf Registration Period, furnish to each Holder of Securities or New Securities covered by any Shelf Registration Statement, without charge, as many copies of the Prospectus (including each preliminary Prospectus) included in such Shelf Registration Statement and any amendment or supplement thereto as such Holder may reasonably request. The Company and the Guarantor consent to the use of the Prospectus or any amendment or supplement thereto by each of the selling Holders of Securities or New Securities in connection with the offering and sale of the Securities or New Securities covered by the Prospectus, or any amendment or supplement thereto, included in the Shelf Registration Statement.

(g) The Company and the Guarantor shall furnish to each Exchanging Dealer or the Initial Purchasers which so requests, without charge, at least one copy of

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the Exchange Offer Registration Statement and any post-effective amendment thereto, including all material incorporated by reference therein, and, if the Exchanging Dealer so requests in writing, all exhibits thereto (including exhibits incorporated by reference therein).

(h) The Company and the Guarantor shall promptly deliver to the Initial Purchasers, each Exchanging Dealer and each other Person required to deliver a Prospectus during the Exchange Offer Registration Period, without charge, as many copies of the Prospectus included in such Exchange Offer Registration Statement and any amendment or supplement thereto as any such Person may reasonably request. The Company and the Guarantor consent to the use of the Prospectus or any amendment or supplement thereto by the Initial Purchasers, any Exchanging Dealer and any such other Person that may be required to deliver a Prospectus following the Registered Exchange Offer in connection with the offering and sale of the New Securities covered by the Prospectus, or any amendment or supplement thereto, included in the Exchange Offer Registration Statement.

(i) Prior to the Registered Exchange Offer or any other offering of Securities or New Securities pursuant to any Registration Statement, the Company and the Guarantor shall arrange, if necessary, for the qualification of the Securities or the New Securities for sale under the laws of such jurisdictions as any Holder shall reasonably request and will maintain such qualification in effect so long as required; provided that in no event shall the Company and the Guarantor be obligated to qualify to do business in any jurisdiction where they are not then so qualified or to take any action that would subject them to service of process in suits or to taxation in such jurisdiction, in any such jurisdiction where they are not then so subject.

(j) The Company and the Guarantor shall cooperate with the Holders of Securities and New Securities to facilitate the timely preparation and delivery of certificates representing New Securities or Securities to be issued or sold pursuant to any Registration Statement free of any restrictive legends and in such denominations (to the extent permitted under the Indenture) and registered in such

names as Holders may request.

(k) Upon the occurrence of any event contemplated by subsections (c)(ii) through (v) above, the Company and the Guarantor shall promptly prepare a post-effective amendment to the applicable Registration Statement or an amendment or supplement to the related Prospectus or file any other required document so that, as thereafter delivered to the Initial Purchasers or Exchanging Dealers, the Prospectus will not include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In such circumstances, the period of effectiveness of the Exchange Offer Registration Statement provided for in Section 2 and the Shelf Registration Statement provided for in Section 3 (b) shall each be extended by the number of days from and including the date of the giving of a notice of suspension pursuant to Section 5(c) to and including the date when the Initial Purchasers, the Holders of the

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Securities or New Securities and any known Exchanging Dealer shall have received such amended or supplemented Prospectus pursuant to this Section 5(k).

(l) Not later than the effective date of any Registration Statement, the Company and the Guarantor shall provide a CUSIP number for the Securities or the New Securities, as the case may be, registered under such Registration Statement and provide the Trustee with printed certificates for such Securities or New Securities, in a form eligible for deposit with The Depository Trust Company.

(m) The Company and the Guarantor shall comply with all applicable rules and regulations of the Commission and shall make generally available to their security holders as soon as practicable after the effective date of the applicable Registration Statement an earnings statement satisfying the provisions of Section 11(a) of the Act.

(n) The Company and the Guarantor shall cause the Indenture or the New Securities Indenture, as the case may be, to be qualified under the Trust Indenture Act in a timely manner.

(o) The Company and the Guarantor may require each Holder of Securities or New Securities to be sold pursuant to any Shelf Registration Statement to furnish to the Company and the Guarantor such information regarding the Holder and the distribution of such Securities as the Company and the Guarantor may from time to time reasonably require for inclusion in such Registration Statement. The Company and the Guarantor may exclude from such Shelf Registration Statement the Securities or New Securities of any Holder that fails to furnish such information within a reasonable time after receiving such request.

(p) In the case of any Shelf Registration Statement, the Company and the Guarantor shall enter into such agreements and take all other appropriate actions (including if requested an underwriting agreement in customary form) in order to expedite or facilitate the registration or the disposition of the Securities or New Securities, and in connection therewith, if an underwriting agreement is entered into, cause the same to contain indemnification provisions and procedures no less favorable than those set forth in Section 7 (or such other provisions and procedures acceptable to the Majority Holders and the Managing Underwriters, if any, with respect to all parties to be indemnified pursuant to Section 7).

(q) In the case of any Shelf Registration Statement, the Company and the Guarantor shall use their reasonable best efforts to:

(i) make reasonably available for inspection by the Holders of Securities or New Securities to be registered thereunder, any Underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by the Holders or any such Underwriter all relevant financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries;

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(ii) cause the Company's officers, directors and employees to supply all relevant information reasonably requested by the Holders or any such Underwriter, attorney, accountant or agent in connection with any such Registration Statement as is customary for similar due diligence examinations; provided, however, that any information that is designated in writing by the Company, in good faith, as confidential at the time of delivery of such information shall be kept confidential by the Holders or any such Underwriter, attorney, accountant or agent, unless such disclosure is made in connection with a court proceeding or required by law, or such information becomes available to the public generally or through a third party without an accompanying obligation of confidentiality;

(iii) make such representations and warranties to the Holders of Securities or New Securities registered thereunder and the Underwriters, if any, in form, substance and scope as are customarily made by issuers to Underwriters in primary underwritten offerings and covering matters including, but not limited to, those set forth in the Purchase Agreement;

(iv) obtain opinions of counsel to the Company and the Guarantor and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the Managing Underwriters, if any) addressed to each selling Holder and the Underwriters, if any, covering such matters as are customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by such Holders and Underwriters;

(v) obtain “cold comfort” letters and updates thereof from the independent certified public accountants of the Company (and, if necessary, any other independent certified public accountants of any subsidiary of the Company or of any business acquired by the Company for which financial statements and financial data are required to be, included in the Registration Statement), addressed to each selling Holder of Securities or New Securities registered thereunder and the Underwriters, if any, in customary form and covering matters of the type customarily covered in “cold comfort” letters in connection with primary underwritten offerings; and

(vi) deliver such documents and certificates as may be reasonably requested by the Majority Holders and the Managing Underwriters, if any, including those to evidence compliance with Section 5(k) and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company and the Guarantor.

The actions set forth in clauses (iii), (iv), (v) and (vi) of this Section shall be performed at (A) the effectiveness of such Registration Statement and each post-effective amendment thereto; and (B) each closing under any underwriting or similar agreement as and to the extent required thereunder.

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(r) If a Registered Exchange Offer is to be consummated, upon delivery of the Securities by Holders to the Company (or to such other Person as directed by the Company) in exchange for the New Securities, the Company shall mark, or caused to be marked, on the Securities so exchanged that such Securities are being canceled in exchange for the New Securities. In no event shall the Securities be marked as paid or otherwise satisfied.

(s) If any Broker-Dealer shall underwrite any Securities or New Securities or participate as a member of an underwriting syndicate or selling group or “assist in the distribution” (within the meaning of the Rules of Fair Practice and the By-Laws of the Financial Industry Regulatory Authority, Inc.) thereof, whether as a Holder of such Securities or New Securities or as an Underwriter, a placement or sales agent or a broker or dealer in respect thereof, or otherwise, will assist such Broker-Dealer in complying with the requirements of such Rules and By-Laws, including, without limitation, by:

(i) if such Rules or By-Laws shall so require, engaging a “qualified independent underwriter” (as defined in such Rules) to participate in the preparation of the Registration Statement, to exercise usual standards of due diligence with respect thereto and, if any portion of the offering contemplated by such Registration Statement is an underwritten offering or is made through a placement or sales agent, to recommend the yield of such Securities or New Securities;

(ii) indemnifying any such qualified independent underwriter to the extent of the indemnification of Underwriters provided in Section 7 hereof; and

(iii) providing such information to such Broker-Dealer as may be required in order for such Broker-Dealer to comply with the requirements of such Rules.

(t) The Company and the Guarantor shall use their reasonable best efforts to take all other steps necessary to effect the registration of the Securities or the New Securities, as the case may be, covered by a Registration Statement.

6. Registration Expenses. The Company and the Guarantor shall bear all expenses incurred in connection with the performance of their obligations under Sections 2, 3 and 5 hereof and, in the event of any Shelf Registration Statement, will reimburse the Holders for the reasonable fees and disbursements of one firm or counsel designated by the Majority Holders to act as counsel for the Holders in connection therewith, but excluding fees and expenses of counsel to the Initial Purchasers, all agency fees and commissions, underwriting discounts and commissions and transfer taxes attributable to the sale or disposition of Securities by a Holder.

7. Indemnification and Contribution.

(a) The Company and the Guarantor agree, jointly and severally, to indemnify and hold harmless (i) the Initial Purchasers, (ii) each Holder of Securities or New Securities, as the case may be, covered by any Registration Statement (including

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with respect to any Prospectus delivery as contemplated in Section 5(h) hereof, each Exchanging Dealer), (iii) each Person, if any, who controls (within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act) any of the foregoing (any of the Persons referred to in this clause (iii) being hereinafter referred to as a “controlling person”), and (iv) the respective officers, directors, partners, employees, representatives and agents of the Initial Purchasers, such Holders (including predecessor Holders) or any controlling person (any person referred to in clause (i), (ii), (iii) or (iv) may hereinafter be referred to as an “Indemnified Holder”), from and against any and all losses, claims, damages, and liabilities (including, without limitation, reasonable legal fees and other expenses incurred in connection with any suit, action or proceeding or any claim asserted) (collectively “Losses”) caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, preliminary Prospectus, Prospectus, Free Writing Prospectus or any “issuer information” (as defined in Rule 433 of the Act) filed or required to be filed pursuant to Rule 433(d) under the Act, or any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages or liabilities are caused by any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with information relating to any Indemnified Holder furnished to the Company or the Guarantor in writing by such Indemnified Holder expressly for use

therein.

(b) Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Company and the Guarantor, each of their respective directors and officers and each Person who controls the Company or the Guarantor within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company and the Guarantor to each Holder, but only with reference to such losses, claims, damages or liabilities which are caused by any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with information relating to a Holder furnished to the Company or the Guarantor in writing by such Holder expressly for use in any Registration Statement, preliminary Prospectus or Prospectus, or any amendment or supplement thereto. This indemnity agreement will be in addition to any liability which any such Holder may otherwise have.

(c) Each of the Initial Purchasers, severally and not jointly, agrees to indemnify and hold harmless the Company and the Guarantor, each of their respective directors and officers and each Person who controls the Company or the Guarantor within the meaning of either Section 15 of the Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from the Company and the Guarantor to the Initial Purchasers, but only with reference to such losses, claims, damages or liabilities which are caused by any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with information relating to the Initial Purchasers furnished to the Company or the Guarantor in writing by the Initial Purchasers expressly for use in any Registration Statement, preliminary Prospectus or Prospectus, or any amendment or supplement thereto. This indemnity agreement will be in addition to any liability which the Initial Purchasers may otherwise have.

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(d) If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any Person in respect of which indemnity may be sought pursuant to either of the three preceding paragraphs, such Person (the "*Indemnified Person*") shall promptly notify the Person or Persons against whom such indemnity may be sought (each an "*Indemnifying Person*") in writing, and such Indemnifying Person, upon request of the Indemnified Person, shall retain counsel reasonably satisfactory to the Indemnified Person to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section 7 that the Indemnifying Person may designate in such proceeding and shall pay the fees and expenses of such counsel related to such proceeding. In any such proceeding, the Indemnifying Person shall be able to participate in such proceeding and, to the extent that it so elects, jointly with any other similarly situated Indemnifying Person, to assume the defense thereof. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) such Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary or (ii) the named parties in any such proceeding (including any impleaded parties) include an Indemnifying Person and an Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that an Indemnifying Person shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be reimbursed as they are incurred. Any such separate firm for the Indemnified Holders shall be designated in writing by the Majority Holders, any such separate firm for the Company, its directors, respective officers and such control Persons of the Company shall be designated in writing by the Company, and any such separate firm for the Guarantor, its directors, respective officers and such control Persons of the Guarantor shall be designated in writing by the Guarantor. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, such Indemnifying Person agrees to indemnify any Indemnified Person from and against any loss or liability by reason of such settlement or judgment. No Indemnifying Person shall, without the prior written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement includes an unconditional release of such Indemnified Person from all liability on claims that are the subject matter of such proceeding.

(e) If the indemnification provided for in the first, second and third paragraphs of this Section 7 is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Indemnifying Person on the one hand and the Indemnified Person on the other hand pursuant to the Purchase Agreement

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or from the offering of the Securities or New Securities pursuant to any Registration Statement which resulted in such losses, claims, damages or liabilities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Indemnifying Person on the one hand and the Indemnified Person on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantor on the one hand and any Indemnified Holder on the other shall be deemed to be in the same proportion as the total net proceeds from the Initial Placement received by the Company and the Guarantor bear to the total net proceeds received by such Indemnified Holder from sales of Securities or New Securities giving rise to such obligations. The relative fault of the parties shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or

alleged omission to state a material fact relates to information supplied by the Company or the Guarantor or such Indemnified Holder and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(f) Each of the Company, the Guarantor and the Initial Purchasers agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 7, in no event shall any Holder of any Securities or New Securities be required to contribute any amount in excess of the amount by which the net proceeds received by such Holder from the sale of the Security or New Security pursuant to a Registration Statement exceeds the amount of damages which such Holder would have otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(g) The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any indemnified party at law or in equity.

(h) The indemnity and contribution agreements contained in this Section 7 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Holder or any Person controlling any Holder or by or on behalf of the Company or the Guarantor, their respective officers or directors or any other Person controlling any of the

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Company or the Guarantor and (iii) acceptance of and payment for any of the Securities or New Securities.

8. Underwritten Registrations.

(a) If any of the Securities or New Securities, as the case may be, covered by any Shelf Registration Statement are to be sold in an underwritten offering, the Managing Underwriters shall be selected by the Majority Holders and shall be reasonably satisfactory to the Company and the Guarantor.

(b) No Person may participate in any underwritten offering pursuant to any Shelf Registration Statement, unless such Person (i) agrees to sell such Person's Securities or New Securities, as the case may be, on the basis reasonably provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements; and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

9. No Inconsistent Agreements. The Company has not, as of the date hereof, entered into, nor shall it, on or after the date hereof, enter into, any agreement with respect to its securities that is inconsistent with the rights granted to the Holders herein or otherwise conflicts with the provisions hereof.

10. Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, qualified, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Company has obtained the written consent of the Majority Holders (or, after the consummation of any Registered Exchange Offer in accordance with Section 2 hereof, of New Securities); provided, however, that, with respect to any matter that directly or indirectly affects the rights of the Initial Purchasers hereunder, the Company shall obtain the written consent of the Initial Purchasers. Notwithstanding the foregoing (except the foregoing proviso), a waiver or consent to departure from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders whose Securities or New Securities, as the case may be, are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders may be given by the Majority Holders, determined on the basis of Securities or New Securities, as the case may be, being sold rather than registered under such Registration Statement.

11. Notices. All notices and other communications (including without limitation any notices or other communications to the Trustee) provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, next-day air courier or facsimile:

(1) if to a Holder, at the most current address of such Holder set forth on the records of the registrar under the Indenture and the stock ledger of the Guarantor;

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(2) if to the Initial Purchasers:

Morgan Stanley & Co. LLC

As Representative of the Initial Purchasers named on Schedule A hereto

c/o

Morgan Stanley & Co. LLC
1858 Broadway
New York, New York 10036
Attention: General Counsel

with copies (which shall not constitute notice) to:

Vinson & Elkins L.L.P.
1001 Fannin Street, Suite 2500
Houston, Texas 77002-6760
Attention: Mike Telle
Email: mtelle@velaw.com

(3) if to the Company, at the addresses as follows:

Nabors Industries, Inc.
c/o Nabors Corporate Services, Inc.
515 West Greens Road, Suite 1200
Houston, Texas 77067
Attention: General Counsel
Email: Julia.Wright@nabors.com

with copies (which shall not constitute notice) to:

Milbank, Tweed, Hadley & McCloy LLP
28 Liberty Street
New York, New York 10005
Attention: Charles Conroy
Email: CConroy@milbank.com

(4) if to the Guarantor:

Nabors Industries Ltd.
Crown House
4 Par-La-Ville Road, Second Floor
Hamilton, HM08, Bermuda

All such notices and communications shall be deemed to have been duly given: when delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; one Business Day after being timely delivered to a next-day air courier; and when the addressor receives facsimile confirmation, if sent by facsimile.

The Initial Purchasers or the Company or the Guarantor by notice to the other parties may designate additional or different addresses for subsequent notices or communications.

12. Successors. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including, without the need for an express assignment or any consent by the Company or the Guarantor thereto, subsequent Holders of Securities or New Securities. The Company and the Guarantor hereby agree to extend the benefits of this Agreement to any Holder of Securities and the New Securities, and any such Holder may specifically enforce the provisions of this Agreement as if an original party hereto.

13. Counterparts. This Agreement may be executed (including by facsimile) in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

14. Headings. The headings used herein are for convenience only and shall not affect the construction hereof.

15. Applicable Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS APPLIED TO CONTRACTS MADE AND PERFORMED WHOLLY WITHIN THE STATE OF NEW YORK.

16. Severability. If any one of more of the provisions contained herein, or the application thereof in any circumstances, is held invalid, illegal or unenforceable in any respect for any reason, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected thereby, it being intended that all of the rights and privileges of the parties shall be enforceable to the fullest extent permitted by law.

17. Securities Held by the Company, etc. Whenever the consent or approval of Holders of a specified percentage of principal amount of Securities or New Securities is required hereunder, Securities or New Securities, as applicable, held by the Company or its Affiliates (other than subsequent Holders of Securities or New Securities if such subsequent Holders are deemed to be Affiliates solely by reason of their holdings of such Securities or New Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

18. No Fiduciary Duty. The Company and Guarantor hereby acknowledge that (a) the Initial Purchasers are acting as principal and not as an agent or fiduciary of the Company or the Guarantor and (b) the Company's engagement of the Initial Purchasers in connection with the offering and the process leading up to the offering pursuant to the Purchase Agreement is as

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independent contractors and not in any other capacity. Furthermore, the Company and the Guarantor agree that they are solely responsible for making their own judgments in connection with the offering, the Registered Exchange Offer or a Shelf Registration (irrespective of whether any of the Initial Purchasers has advised or is currently advising the Company or the Guarantor on related or other matters). The Company and the Guarantor agree that they will not claim that the Initial Purchasers have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company or the Guarantor, in connection with such transaction or the process leading thereto

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this Agreement and your acceptance shall represent a binding agreement among the Company, the Guarantor and you.

Very truly yours,

NABORS INDUSTRIES, INC.

By: /s/ William Restrepo
Name: William Restrepo
Title: Chief Financial Officer

NABORS INDUSTRIES LTD.

By: /s/ Mark D. Andrews
Name: Mark D. Andrews
Title: Corporate Secretary

Signature Page to Registration Rights Agreement

The foregoing Agreement is hereby confirmed and accepted as of the date first above written.

MORGAN STANLEY & CO. LLC

By: /s/ William Graham
Name: William Graham
Title: Managing Director

Acting as Representative of the Initial
Purchasers named in Schedule A hereto

Signature Page to Registration Rights Agreement

SCHEDULE A

Initial Purchasers

Morgan Stanley & Co. LLC
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Mizuho Securities USA Inc.
Citigroup Global Markets Inc.
HSBC Securities (USA) Inc.
Wells Fargo Securities, LLC
MUFG Securities Americas Inc.

ANNEX A

Each broker-dealer that receives new notes for its own account in exchange for old notes that were acquired as a result of market-making or other trading activities must acknowledge that it will comply with the registration and prospectus delivery requirements of the Act in connection with any offer, resale, or other transfer of the new notes issued in the exchange offer, including information with respect to any selling holder required by the Act in connection with any resale of the new notes.

Furthermore, any broker-dealer that acquired any of its old notes directly from us:

- may not rely on the applicable interpretation of the staff of the SEC's position contained in Exxon Capital Holdings Corporation (pub. avail. May 13, 1988), Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993 and similar no-action letters; and
 - must also be named as a selling noteholder in connection with the registration and prospectus delivery requirements of the Act relating to any resale transaction. See "Plan of Distribution" and "The Exchange Offer—Purpose and Effect of Exchange Offer Registration Rights."
-

ANNEX B

Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will comply with the registration and prospectus delivery requirements of the Act in connection with any offer, resale or other transfer of such new notes, including information with respect to any selling holder required by the Act in connection with the resale of the new notes. We have agreed that for a period of 180 days after the effective date of the registration statement of which this prospectus forms a part (or for such shorter period during which broker-dealers are required by law to deliver such prospectus), we will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

ANNEX C

PLAN OF DISTRIBUTION

Each broker-dealer that receives New Notes for its own account pursuant to this exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such New Notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of New Securities received in exchange for Securities where such Securities were acquired as a result of market-making activities or other trading activities. We have agreed that, starting on the effective date of the registration statement of which this prospectus is a part and ending on the close of business 180-days after such date or such shorter period as will terminate when all New Securities held by Exchanging Dealers or Initial Purchasers have been sold pursuant hereto (or for such shorter period during which broker-dealers are required by law to deliver such prospectus), we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until _____, 201____, all dealers effecting transactions in the New Securities may be required to deliver a prospectus.

We will not receive any proceeds from any sale of New Securities by brokers-dealers. New Securities received by broker-dealers for their own account pursuant to the Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the New Securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer and/or the purchasers of any such New Securities. Any broker-dealer that resells New Securities that were received by it for its own account pursuant to the Exchange Offer and any broker-dealer that participates in a distribution of such New Securities may be deemed to be an "underwriter" within the meaning of the Act and any profit of any such resale of New Securities and any commissions or concessions received by any such Persons may be deemed to be underwriting compensation under the Act.(1) The Letter of Transmittal states that by acknowledging that

it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Act.

Furthermore, any broker-dealer that acquired any of the old notes directly from us:

- may not rely on the applicable interpretation of the staff of the SEC’s position contained in Exxon Capital Holdings Corporation (pub. avail. May 13, 1988), Morgan Stanley and Co., Inc. (pub. avail. June 5, 1991),), as interpreted in the Commission’s letter to Shearman & Sterling dated July 2, 1993 and similar no-action letters; and

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- must also be named as a selling noteholder in connection with the registration and prospectus delivery requirements of the Act relating to any resale transaction.

For a period of 180-days after the effective date of the registration statement of which this prospectus is a part or such shorter period as will terminate when all New Securities held by Exchanging Dealers or Initial Purchasers have been sold pursuant hereto (or for such shorter period during which broker-dealers are required by law to deliver such prospectus), we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the Letter of Transmittal. We have agreed to pay all expenses incident to the Exchange Offer (including the expenses of one counsel for the holder of the Securities) other than commissions or concessions of any brokers or dealers and will indemnify the holders of the Securities (including any broker-dealers) against certain liabilities, including liabilities under the Act.

[If applicable, add information required by Regulation S-K Items 507 and/or 508.]

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ANNEX D

CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name:

Address:

If the undersigned is not a broker-dealer, the undersigned represents that it is acquiring the New Securities in the ordinary course of its business, that it has no arrangement or understanding with any Person to participate in a distribution of the New Securities and that it is not an affiliate of the Company as such terms are interpreted by the Commission. If the undersigned is a broker-dealer then it has a prospectus delivery requirement with respect to resales of the New Securities and that the Commission has taken the position the Broker-Dealers may fulfill their prospects delivery requirements with respect to resales of the New Securities (other than a resale of an unsold allotment from the original sale of the notes) with the prospectus contained in the Exchange Offer Registration Statement relating to such New Securities.
