Section 1: 8-K (8-K)

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): **January 9, 2017**

Nabors Industries Ltd.

(Exact Name of Registrant as Specified in its Charter)

Commission File Number: **001-32657**

Bermuda	**98-0363970**
(State of Incorporation)	(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))

Item 1.01 Entry into a Material Definitive Agreement

Exchangeable Notes Offering

On January 9, 2017, Nabors Industries, Inc. ("NII"), a wholly owned subsidiary of Nabors Industries Ltd. ("NIL"), and NIL entered into a purchase

agreement (the "Purchase Agreement") under which NII agreed to sell $500,000,000 aggregate principal amount of its 0.75% Exchangeable Senior Notes due January 15, 2024 (the "Exchangeable Notes") to the initial purchasers named in the Purchase Agreement (the "Initial Purchasers"). The Exchangeable Notes are fully and unconditionally guaranteed by NIL. The closing of the sale of the Exchangeable Notes is expected to occur on or about January 13, 2017, subject to the satisfaction of customary closing conditions. In addition, NII granted the Initial Purchasers a 30-day option to purchase up to an additional $75,000,000 in aggregate principal amount of the Exchangeable Notes on the same terms and conditions, solely to cover over-allotments, if any. A copy of the Purchase Agreement is included as Exhibit 10.1 to this Form 8-K and is incorporated in this Item 1.01 by reference. The Purchase Agreement should be read in its entirety for a complete description of its provisions and the summary in this report is qualified in its entirety by the text of such provisions.

The Exchangeable Notes will be exchangeable under certain circumstances for cash, common shares of NIL or a combination of cash and common shares of NIL, at NII's election. NII may redeem the Exchangeable Notes, in whole but not in part, in connection with certain tax-related events (a "tax redemption"), at a redemption price equal to 100% of the principal amount of the Exchangeable Notes plus accrued and unpaid interest to, but excluding, the redemption date.

The exchange rate will initially be 39.7488 common shares of NIL per $1,000 principal amount of the notes (equivalent to an initial exchange price of approximately $25.16 per common share of NIL). The exchange rate will be subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date or upon notice of a tax redemption, the Exchange Rate will increase the exchange rate for a holder who elects to exchange its Exchangeable Notes in connection with such a corporate event or tax redemption in certain circumstances.

NII will sell the Exchangeable Notes through a private offering to qualified institutional buyers pursuant to the exemption from registration provided by Rule 144A under the Securities Act of 1933, as amended (the "Securities Act").

This disclosure does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall it constitute an offer to sell, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful. Any offers of the securities were made only by means of a confidential offering memorandum. The securities will not be and have not been registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws.

Capped Call Transactions

On January 9, 2017, in connection with the entry into the Purchase Agreement and the pricing of the Exchangeable Notes, NIL and NII entered into privately negotiated capped call transactions with one or more of the Initial Purchasers and/or their respective affiliates (the "option counterparties"). The capped call transactions, in the aggregate, cover, subject to customary anti-dilution adjustments, the same number of NIL common shares that initially underlie the Exchangeable Notes.

The capped call transactions are expected to reduce potential dilution to NIL common shares and/or offset potential cash payments NII is required to make in excess of the principal amount upon any exchange of the Exchangeable Notes. Such reduction and/or offset is subject to a cap representing a price per share of $31.4475, an approximately 75.0% premium over the last reported sale price of $17.97 per common share of NIL on The New York Stock Exchange on January 9, 2017. If the Initial Purchasers exercise their option to

purchase additional Exchangeable Notes, NIL and NII may enter into additional capped call transactions with the Initial Purchasers and/or any of their affiliates.

The capped call transactions are separate transactions entered into by NIL and NII with the option counterparties, are not part of the terms of the Exchangeable Notes and will not change holders' rights under the Exchangeable Notes or the trustee's rights or duties under the indenture. Holders of Exchangeable Notes will not have any rights with respect to the capped call transactions.

The description of the capped call transactions is a summary and is qualified in its entirety by reference to the complete text of the capped call transaction confirmations, copies of which are filed hereto as Exhibit 10.2 and Exhibit 10.3 and are incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 8.01 Other Events

On January 9, 2017, NIL issued a press release announcing the commencement of the offering by NII of the Exchangeable Notes. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On January 10, 2017, NIL issued a press release announcing the pricing by NII of the offering of the Exchangeable Notes. The press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
10.1	Purchase Agreement, dated January 9, 2017, among Nabors Industries, Inc., Nabors Industries Ltd. and Citigroup Global Markets Inc. and Goldman, Sachs & Co. as representatives of the Initial Purchasers.
10.2	Call Option Transaction Confirmation, dated as of January 9, 2017, between Nabors Industries Ltd., Nabors Industries, Inc. and Citigroup Global Markets Inc.
10.3	Call Option Transaction Confirmation, dated as of January 9, 2017, between Nabors Industries Ltd., Nabors Industries, Inc. and Goldman, Sachs & Co.
99.1	Launch Press Release regarding the Exchangeable Notes offering dated January 9, 2017.
99.2	Pricing Press Release regarding the Exchangeable Notes offering dated January 10, 2017.

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.

NABORS INDUSTRIES LTD.

Date: January 10, 2017

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

Exhibit Index

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Section 2: EX-10.1 (EX-10.1)

Exhibit 10.1

Execution Version

NABORS INDUSTRIES, INC.

$500,000,000 0.75% EXCHANGEABLE SENIOR NOTES DUE 2024

GUARANTEED BY NABORS INDUSTRIES LTD.

PURCHASE AGREEMENT

CITIGROUP GLOBAL MARKETS INC.
GOLDMAN, SACHS & CO.

January 9, 2017

CITIGROUP GLOBAL MARKETS INC.
388 Greenwich Street
New York, New York 10013

GOLDMAN, SACHS & CO.
200 West Street
New York, New York 10282-2198

As Representatives of the Initial Purchasers
named in Schedule A hereto

Dear Ladies and Gentlemen:

Nabors Industries, Inc., a Delaware corporation (the "***Company***"), proposes, upon the terms and conditions set forth in this agreement (the "***Agreement***"), to issue and sell to the several initial purchasers named in Schedule A hereto (the "***Initial Purchasers***") $500,000,000 aggregate principal amount of its 0.75% Exchangeable Senior Notes due 2024 (the "***Purchased Notes***"). The Company also proposes to grant to the several initial purchasers named in Schedule B hereto (the "***Option Purchasers***") an option pursuant to Section 2 hereof to purchase up to an additional $75,000,000 aggregate principal amount of its 0.75% Exchangeable Senior Notes due 2024 solely to cover overallotments (the "***Option Notes***" and, together with the Purchased Notes, the "***Notes***"). The Notes are to be issued pursuant to the provisions of an Indenture to be dated as of the Closing Date (as defined in Section 4) (the "***Indenture***") among the Company, the Guarantor (as defined below), Wilmington Trust National Association, as Trustee (the "***Trustee***") and Citibank N.A., as Exchange Agent and Securities Administrator (the "***Securities Administrator***"). The Notes will be fully and unconditionally guaranteed (the "***Guarantees***") by Nabors Industries Ltd., a Bermuda exempted company (the "***Guarantor***"). The Notes and the Guarantees are hereinafter collectively referred to as the "***Securities***."

The Notes are exchangeable into common shares, par value $0.001 per share (the "***Common Shares***") of the Guarantor at the applicable exchange rate set forth in the Final Offering Memorandum (as defined herein).

The Securities will be offered by the Initial Purchasers without being registered under the U.S. Securities Act of 1933, as amended (the "***Securities Act***"), to persons whom the Initial Purchasers reasonably believe to be qualified institutional buyers (as defined in Rule 144A under the Securities Act ("***Rule 144A***")) in compliance with the exemption from registration provided by Rule 144A.

In connection with the sale of the Securities, the Company has prepared and delivered to the Initial Purchasers a preliminary offering memorandum, dated January 9, 2017 (together with any exhibits thereto and the documents incorporated by reference therein, the "***Offering Memorandum***") and has prepared and delivered a pricing supplement (the "***Pricing Supplement***") dated January 9, 2017, in the form attached hereto as Schedule I, describing the terms of the Securities and the Common Shares underlying the Notes, the terms of the offering

and the Company and the Guarantor, each for use by the Initial Purchasers in connection with their solicitation of offers to purchase the Securities. As used herein, "***Disclosure Package***" shall mean the Offering Memorandum, as supplemented by the Pricing Supplement and any written communications (as defined in Rule 405 under the Securities Act) authorized for use pursuant to Section 6(l), each in the most recent form that has been prepared and delivered by the Company to the Initial Purchasers in connection with their solicitation of offers to purchase the Securities as of the Applicable Time. "***Applicable Time***" means 11:59 P.M. (New York time) on January 9, 2017. Promptly after the Applicable Time and in any event no later than the Closing Date, the Company will prepare and deliver to the Initial Purchasers a final offering memorandum (the "***Final Offering Memorandum***"), which will consist of the Offering Memorandum with only such changes therein as are required to reflect the information contained in the Pricing Supplement, unless the Initial Purchasers consent to such changes. The Offering Memorandum and the Final Offering Memorandum are each sometimes referred to herein as a "***Memorandum***." As used herein (including the schedule and annexes hereto), the term "Memorandum" shall include in each case the documents incorporated by reference therein. The terms "supplement", "amendment" and "amend" as used herein with respect to the Memorandum shall include all documents deemed to be incorporated by reference in the Memorandum that are filed subsequent to the date of the Memorandum with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the "***Exchange Act***").

1. *Representations and Warranties*

The Guarantor and the Company, jointly and severally, represent and warrant to, and agree with each of the Initial Purchasers as of the Applicable Time and as of the Closing Date and each Option Closing Date (as defined herein), that:

(a) (i) Each document filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Memorandum complied or will comply when so filed or amended in all material respects with the Exchange Act and the applicable

rules and regulations of the Commission thereunder, and (ii) as of its date, the Offering Memorandum did not contain, as of the Applicable Time, the Disclosure Package did not contain, and on and, as of its date and the Closing Date and, if applicable, and each Option Closing Date (as defined herein), the Final Offering Memorandum will not contain, any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph do not apply to statements in or omissions from the Offering Memorandum, Disclosure Package or the Final Offering Memorandum based upon information relating to the Initial Purchasers furnished to the Company in writing by the Initial Purchasers through the Representatives expressly for use therein, it being understood and agreed that the only such information is that described in Section 8(b).

(b) Each of the Guarantor and the Company has been duly incorporated, organized or formed, is validly existing as a Bermuda exempted company and Delaware corporation, respectively, in good standing under the laws of the jurisdiction of its incorporation, has the corporate power and authority to own its property and to conduct its business as described in the Offering Memorandum and is duly qualified to transact

business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Guarantor and its subsidiaries, taken as a whole (a "***Material Adverse Effect***").

(c) Each Significant Subsidiary (as defined below) has been duly organized, is validly existing as a corporation or limited partnership in good standing under the laws of the jurisdiction of its organization, has the corporate or limited partnership power and authority to own its property and to conduct its business to the extent described in the Offering Memorandum and is duly qualified to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership or leasing of property requires such qualification, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect. All of the issued shares of capital stock (or limited partnership interests) of each Significant Subsidiary have been duly and validly authorized and issued, are fully paid and non-assessable and are owned by the Guarantor, directly or indirectly, free and clear of all liens, encumbrances, equities or claims other than any liens, encumbrances, equities or claims in favor of the Guarantor or another Significant Subsidiary. "***Significant Subsidiaries***" shall mean the Company, Nabors International Finance Inc., Nabors Holdings Ltd., Nabors International Management Limited, Nabors Drilling International Limited, Nabors Drilling International II Limited, Nabors Global Holdings Limited, Nabors Global Holdings II Ltd., Nabors Blue Shield Ltd., Nabors Lux Finance 1 S.à.r.l., Nabors Lux 2 S.à.r.l., Nabors Drilling Technologies USA, Inc., Nabors Drilling Holdings Inc. and Nabors Yellow Reef Ltd.

(d) The Guarantor's authorized share capital is as set forth in the Disclosure Package and the Final Offering Memorandum, and all of the issued shares of the Guarantor conform to the description thereof contained in the Disclosure Package and the Final Offering Memorandum and have been duly and validly authorized and issued and are fully paid and non-assessable; the Common Shares initially issuable upon exchange of the Notes have been duly authorized and, when issued upon exchange of the Notes, will be validly issued, fully paid and non-assessable; the Board of Directors (or a duly authorized committee thereof) of the Guarantor has duly and validly adopted resolutions reserving the Common Shares issuable upon exchange of the Notes; the holders of outstanding shares of each of the Company and the Guarantor are not entitled to preemptive or other rights to subscribe for the Securities or Common Shares issuable upon exchange thereof; and, except as set forth in the Disclosure Package and the Final Offering Memorandum, no options, warrants or other rights to purchase, agreements or other obligations to issue, or rights to convert any obligations into or exchange any securities for, shares of capital stock of or ownership interest in the Company or the Guarantor are outstanding.

(e) The Common Shares issuable upon exchange of the Notes will be approved for listing prior to the Closing Date, subject to official notice of issuance and evidence of satisfactory distribution, on the New York Stock Exchange.

(f) This Agreement has been duly authorized, executed and delivered by the Company and the Guarantor.

(g) The issuance of the Securities has been duly authorized and, when the Notes have been executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers in accordance with the terms of this Agreement, the Securities will be valid and binding obligations of the Company and the Guarantor, as the case may be, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, moratorium, fraudulent conveyance or similar laws affecting creditors' rights generally, general principles of equity and implied covenants of good faith and fair dealing, and will be entitled to the benefits of the Indenture.

(h) The Indenture has been duly authorized and, on or prior to the Closing Date will have been, executed and delivered by, and, assuming due authorization, execution and delivery of the Indenture by the Trustee and the Securities Administrator, will be a valid and binding agreement of, the Company and the Guarantor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and general principles of equity and implied covenants of good faith and fair dealing and except as rights to indemnification and contribution may be limited under applicable law.

(i) The execution and delivery by the Company and the Guarantor of, and the performance by the Company and the Guarantor of their respective obligations under, this Agreement, the Indenture and the Securities, including the issuance of the Common Shares upon exchange of the Notes, (the "***Transaction Documents***") will not contravene any provision of (i) the restated certificate of

incorporation, as amended, or by-laws, as amended, of the Company or the Memorandum of Association or Bye-laws, as amended, of the Guarantor or (ii) any agreement or other instrument binding upon the Guarantor, the Company or any of the Significant Subsidiaries that is material to the Guarantor and its subsidiaries, taken as a whole, or, (iii) any judgment, order, applicable law or decree of any governmental body, agency or court having jurisdiction over the Guarantor, the Company or any Significant Subsidiary, except, in the cases of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, have a Material Adverse Effect.

(j) Assuming compliance by the Initial Purchasers with this Agreement, no consent, approval, authorization or order of, or filing or qualification with, any governmental body or agency is required for the execution, delivery and performance by the Company and the Guarantor of their obligations under the Transaction Documents, including the issuance of the Common Shares upon exchange of the Notes, except such as may be required by the securities or Blue Sky laws of the various states in connection with the purchase and resale of the Securities by the Initial Purchasers and the listing of the Common Shares on the New York Stock Exchange.

(k) There are no material legal or governmental proceedings pending or, to the knowledge of the Guarantor or the Company, threatened to which the Company or any of

the Significant Subsidiaries is a party or to which any of the properties of the Guarantor or the Company or any of their subsidiaries is subject other than proceedings accurately described in all material respects in the Offering Memorandum and proceedings that would not have a Material Adverse Effect or material adverse effect on the power or ability of the Guarantor or the Company to perform its obligations under the Transaction Documents, including the issuance of the Common Shares upon exchange of the Notes, or to consummate the transactions contemplated by the Offering Memorandum.

(l) With respect to the common share options (the "***Common Share Options***") granted pursuant to the common share-based compensation plans of the Guarantor and its subsidiaries (the "***Guarantor Common Share Plans***"), (i) each grant of a Common Share Option was duly authorized no later than the date on which the grant of such Common Share Option was by its terms to be effective by all necessary corporate action, including, as applicable, approval by the board of directors of the Guarantor (or a duly constituted and authorized committee thereof) and any required shareholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, and (ii) each such grant was made in all material respects in accordance with the terms of the Guarantor Common Share Plans, the Securities Act, the Exchange Act and all other applicable laws and regulatory rules or requirements. The Guarantor has not knowingly granted, and there is no and has been no policy or practice of the Guarantor of granting, Common Share Options prior to, or otherwise coordinating the grant of Common Share Options with, the release or other public announcement of material information regarding the Guarantor or its subsidiaries or their results of operations or prospects.

(m) Except as described in the Offering Memorandum, the Company, the Guarantor and the Significant Subsidiaries (i) are in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("***Environmental Laws***"), (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses as described in the Memorandum and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except in the case of clause (i), (ii) and (iii), where such noncompliance would not, singly or in the aggregate, have a Material Adverse Effect.

(n) Except as described in the Offering Memorandum, there are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties) which would, singly or in the aggregate, have a Material Adverse Effect.

(o) Neither the Company, the Guarantor or any of the Significant Subsidiaries, nor any of their respective directors or officers, nor, to the Company's or the Guarantor's knowledge, any agent or employee acting at the direction of the Company, the Guarantor or any Significant Subsidiary, has taken any action in furtherance of an offer, payment,

promise to pay, or authorization or approval of the payment or giving of money, property, gifts or anything else of value, directly or indirectly, to any "government official" (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) to influence official action or secure an improper advantage in material violation of applicable anti-corruption laws; and the Company, the Guarantor and the Significant Subsidiaries have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintain and will continue to maintain policies and procedures designed to promote and achieve compliance with such laws and with the representation and warranty contained herein.

(p) The operations of the Company, the Guarantor and the Significant Subsidiaries are and have been conducted at all times in material compliance with all applicable financial recordkeeping and reporting requirements, including those of the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and

Obstruct Terrorism Act of 2001 (USA PATRIOT Act), and the applicable anti-money laundering statutes of jurisdictions where the Company, the Guarantor and the Significant Subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "***Anti-Money Laundering Laws***"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company, the Guarantor or any Significant Subsidiary with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company and the Guarantor, threatened.

(q) (i) Neither the Company, the Guarantor nor any of the Significant Subsidiaries, nor any of their respective directors or officer, nor, to the Company's and the Guarantor's knowledge, any agent, affiliate or employee of the Company, the Guarantor or any of the Significant Subsidiaries, is an individual or entity ("***Person***") that is, or is owned or controlled by a Person that is:

(A) the subject of any sanctions administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control ("***OFAC***"), the United Nations Security Council ("***UNSC***"), the European Union ("***EU***"), Her Majesty's Treasury ("***HMT***"), or other relevant sanctions authority with jurisdiction over the Company, the Guarantor or any of the Significant Subsidiaries (collectively, "***Sanctions***"), nor

(B) domiciled, organized or ordinarily resident in a country or territory that is the subject of comprehensive Sanctions (including, as of the date hereof, Cuba, Iran, North Korea, Sudan and Syria)

(ii) The Company will not, directly or indirectly, use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person:

(A) to fund or facilitate any activities or business of or with any Person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions (except to the extent permissible under applicable Sanctions); or

(B) in any other manner that will result in a violation of Sanctions by any Person (including any Person participating in the offering, whether as underwriter, advisor, investor or otherwise).

(iii) For the past five years, the Company, the Guarantor and the Significant Subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions, in each case, in a manner that would constitute a violation of applicable Sanctions.

(r) The Company, the Guarantor and each of the Significant Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Offering Memorandum is accurate. Except as described in the Offering Memorandum, since the end of the Company's and the Guarantor's most recent audited fiscal year, there has been (i) no material weakness in the Company's or the Guarantor's internal control over financial reporting (whether or not remediated) and (ii) no change in the Company's or the Guarantor's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's or the Guarantor's internal control over financial reporting.

(s) None of the Company, the Guarantor nor any affiliate (as defined in Rule 501(b) of Regulation D under the Securities Act, an "***Affiliate***") of the Company or the Guarantor has directly, or through any agent, (i) sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of, any security (as defined in the Securities Act) which is or will be integrated with the sale of the Securities in a manner that would require the registration under the Securities Act of the Securities or the Common Shares issuable upon exchange of the Notes or (ii) engaged in any form of general solicitation or general advertising in connection with the offering of the Securities (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

(t) Assuming the accuracy of the representations and warranties of the Initial Purchasers in Section 7 and their compliance with the agreements set forth therein, it is

not necessary in connection with the offer, sale and delivery of the Securities to the Initial Purchasers in the manner contemplated by this Agreement to register the Securities or the Common Shares issuable upon exchange of the Notes under the Securities Act or to qualify the Indenture under the Trust Indenture Act of 1939, as amended.

(u) The Securities satisfy the requirements set forth in Rule 144A(d)(3) under the Securities Act.

(v) Neither the Company nor the Guarantor is, and after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the Disclosure Package and the Final Offering Memorandum neither will be, an "investment company" as defined in the Investment Company Act of 1940.

(w) Other than (i) the Offering Memorandum, the Disclosure Package and the Final Offering Memorandum and (ii) any electronic road show or other written communications authorized for use pursuant to Section 6(j), neither the Company nor the Guarantor (including their respective agents and representatives, other than the Initial Purchasers in their capacity as such) has made, used or prepared, authorized, approved or referred to nor will they prepare, make, use, authorize, approve or refer to any written communication that constitutes an offer to sell or solicitation of an offer to buy the Securities without the prior written consent of the Initial Purchasers. Each such communication by the Company, the Guarantor or their agents and representatives pursuant to clause (ii) of the preceding sentence (each, an "**Additional Written Communication**"), when taken together with the Disclosure Package and the Final Offering Memorandum, as applicable, did not as of the Applicable Time, and at the Closing Date and each Option Closing Date (as defined herein) will not, include any untrue statement of a material fact or omit to state a material fact necessary to make the statements, in the light of the circumstances under which they were made, not misleading; except that this representation and warranty does not apply to statements in or omissions from each such Additional Written Communication based upon information relating to the Initial Purchasers furnished to the Company in writing by the Initial Purchasers through the Representatives expressly for use therein, it being understood and agreed that the only such information is that described in Section 8(b).

(x) Any required United States federal income tax returns of the Guarantor and its subsidiaries required by law to be filed have been filed and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, except assessments against which appeals have been or will be promptly taken and as to which adequate reserves have been provided. The Guarantor and its subsidiaries have filed all other tax returns that are required to have been filed by them pursuant to applicable foreign, state, local or other law except insofar as the failure to file such returns would not result in a Material Adverse Effect, and have paid all taxes shown on such returns or pursuant to any assessment received by the Guarantor and its subsidiaries, except for such taxes, if any, as are being contested in good faith and as to which adequate reserves have been established by the Guarantor. The Guarantor has maintained the charges, accruals and reserves on the books of the Guarantor in respect of any income and corporation tax

liability in accordance with accounting principles generally accepted in the United States of America, except to the extent that would not result in a Material Adverse Effect.

(y) The Company was not a "passive foreign investment company" ("***PFIC***") as defined in Section 1297 of the United States Internal Revenue Code of 1986, as amended, for its most recently completed taxable year and is not expected to be a PFIC for any taxable year subsequent to such year.

2. *Agreements to Sell and Purchase*

The Company hereby agrees to sell to the Initial Purchasers, and the Initial Purchasers, upon the basis of the representations and warranties herein contained, but subject to the conditions hereinafter stated, agree, severally and not jointly, to purchase from the Company the principal amount of the Purchased Notes set forth opposite such Initial Purchaser's name on Schedule A hereto at the purchase price set forth on Schedule II hereto, payable on the Closing Date (the "***Purchase Price***").

Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company and the Guarantor hereby grant an option to the several Option Purchasers to purchase, severally and not jointly, the Option Notes at the same purchase price set forth in Schedule II hereto (plus accrued interest, if any) for the Purchased Notes. Said option may be exercised only to cover overallotments in the sale of the Purchased Notes by the Option Purchasers. Said option may be exercised in whole or in part at any time on or before the 30th day after the date of the Final Offering Memorandum upon written or electronic notice by the Representatives to the Company and the Guarantor setting forth the aggregate principal amount of the Option Notes as to which the several Option Purchasers are exercising the option and the settlement date (each such date, an "***Option Closing Date***"), which shall not be later than five business days after the date of such notice; provided that such option cannot be exercised unless the Option Notes will be fungible with the Purchased Notes for purposes of U.S. federal income tax laws. The aggregate principal amount of Option Notes to be purchased by each Option Purchaser shall be the percentage of the total aggregate principal amount of the Option Notes set forth opposite their names in Schedule B hereto, subject to such adjustments as the Representatives in its absolute discretion shall make to ensure that the Option Notes are not issued in minimum denominations of less than $1,000 and integral multiples of $1,000 in excess thereof.

The Company and the Guarantor hereby agree that, without the prior written consent of the Initial Purchasers, they will not, during the period beginning on the date hereof and continuing to and including the Closing Date, offer, sell, contract to sell or otherwise dispose of any debt of the Company or warrants to purchase debt of the Company in each case of a type substantially similar to the Securities (other than the sale of the Securities under this Agreement, including the Option Notes).

3. *Terms of Offering*

You have advised the Company and the Guarantor that the Initial Purchasers will make an offering of the Securities to be purchased by

the Initial Purchasers hereunder on the terms set forth in this Agreement and the Offering Memorandum.

4. *Payment and Delivery*

Payment of the Purchase Price for the Purchased Notes and the Option Notes (if the option provided for in Section 2 hereof shall have been exercised on or before the third business day immediately preceding the Closing Date) shall be made to the Company in Federal or other funds immediately available in New York City against delivery of such Notes for the account of the Initial Purchasers and Option Purchasers, as applicable, at 10:00 A.M., New York City time, on January 13, 2017, or at such other time on the same or such other date, as shall hereafter be agreed upon by the Company and the Initial Purchasers and the Option Purchasers, as applicable. The time and date of such payment are hereinafter referred to as the "***Closing Date***."

Delivery of the Notes shall be made through the facilities of The Depository Trust Company ("***DTC***") pursuant to its Full-Fast Delivery Program unless the Initial Purchasers shall otherwise instruct, and Notes sold by the Initial Purchasers in reliance on Rule 144A shall be represented by one or more global certificates.

If the option provided for in Section 2 hereof is exercised after the third business day immediately preceding the Closing Date, the Company will deliver the Option Notes (at the expense of the Company) to the Representatives, at 388 Greenwich Street, New York, New York, 10013 and 200 West Street, New York, New York 10282-2198, on the applicable Option Closing Date specified by the Representatives (which shall be within five business days after exercise of said option) for the respective accounts of the several Option Purchasers, against payment by the several Option Purchasers through the Representatives of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to an account specified by the Company. If settlement for the Option Notes occurs after the Closing Date, the Company will deliver to the Representatives on each Option Closing Date, and the obligation of the Option Purchasers to purchase the Option Notes shall be conditioned upon compliance with Section 5 hereof.

5. *Conditions to the Initial Purchasers' Obligations*

The obligations of the several Initial Purchasers and Option Purchasers, as applicable, to purchase and pay for the Notes and related Guarantees on any Closing Date and each Option Closing Date are subject to the following conditions:

(a) Subsequent to the execution and delivery of this Agreement and prior to the Closing Date and each Option Closing Date:

(i) There shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading, below Ba2(Negative) from Moody's Investors Service, Inc., BBB-(Negative) from Standard and Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc. and BBB (Negative) from Fitch Inc., in the senior unsecured rating accorded the Company or the Guarantor or any of the

Company's or the Guarantor's senior unsecured securities or in the rating outlook for the Company or the Guarantor by any "nationally recognized statistical rating organization," as that term is defined in Section 3(a)(62) of the Exchange Act; and

(ii) There shall not have occurred any change, or any development involving a prospective change, in the financial position, or in the earnings, business or operations of the Guarantor and its subsidiaries, taken as a whole, from that set forth in the Offering Memorandum (exclusive of any amendments or supplements thereto subsequent to the date of this Agreement) that, in your judgment, is material and adverse and that makes it, in your judgment, impracticable to market the Securities on the terms and in the manner contemplated in the Offering Memorandum.

(b) The Initial Purchasers shall have received on the Closing Date and, if applicable, any Option Closing Date, a certificate, dated the Closing Date and, if applicable, any Option Closing Date, and signed by an executive officer of each of the Company, with respect to the Company, and the Guarantor, with respect to the Guarantor, to the effect set forth in Section 5(a) and to the effect that the representations and warranties of the Company and the Guarantor contained in this Agreement are true and correct as of the Closing Date and, if applicable, such Option Closing Date, and that each of the Company and the Guarantor has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied hereunder on or before the Closing Date and, if applicable, such Option Closing Date.

The officer signing and delivering such certificate may rely upon the best of his or her knowledge as to proceedings threatened.

(c) The Company and the Guarantor shall have furnished to the Initial Purchasers the opinion of Julia Wright, Vice President and General Counsel of the Company, dated the Closing Date and, if applicable, any Option Closing Date, substantially to the effect set forth on Annex 5(c) hereto. In giving such opinion, such counsel may rely as to matters of fact, to the extent such counsel deems proper, on certificates of responsible officers of the Company or the Guarantor and the Significant Subsidiaries and of public officials. Such opinion may be relied upon only by the Initial Purchasers in connection with the transactions contemplated by this Agreement, and may not be used or relied upon by the Initial Purchasers for any other purpose, or by any other person, firm, corporation or entity for any purpose whatsoever, without the prior written consent of such counsel. Such opinion may be limited to the laws of the State of Texas and the corporation, limited partnership and limited liability company statutes of the State of Delaware.

(d) The Company and the Guarantor shall have furnished to the Initial Purchasers the opinion of Milbank, Tweed,

Hadley & McCloy LLP ("***MTHM***"), special United States counsel for the Company and the Guarantor, dated the Closing Date and, if applicable, any Option Closing Date, substantially to the effect set forth on Annex 5(d)-1 hereto.

In rendering their opinions pursuant to this Section 5(d), such counsel may rely, to the extent deemed advisable by such counsel, (i) as to factual matters on certificates of officers of the Company or the Guarantor and (ii) upon certificates of public officials.

Such opinion shall be limited to the laws of the State of New York, the Federal laws of the United States and the General Corporation Law of the State of Delaware. In addition, the Company shall have furnished to the Initial Purchasers the negative assurance letter of MTHM dated the Closing Date and, if applicable, any Option Closing Date, substantially to the effect set forth on Annex 5(d)-2. Such opinion and negative assurance letter shall be rendered as of the Closing Date and, if applicable, any Option Closing Date, only in connection with this Agreement and will be solely for the benefit of the Initial Purchasers, and may not be relied upon, nor shown to or quoted from, for any other purpose, or to any other person, firm or corporation.

(e) The Company and the Guarantor shall have furnished to the Initial Purchasers the opinion of Conyers Dill & Pearman Limited, special counsel for the Guarantor, dated the Closing Date and, if applicable, any Option Closing Date, in the form set forth on Annex 5(e) hereto. Such opinion shall be limited to the laws of Bermuda. Such opinion shall be rendered as of the Closing Date and, if applicable, any Option Closing Date, only in connection with the Agreement and will be solely for the benefit of the Initial Purchasers, and may not be relied upon, nor shown to or quoted from, for any other purpose, or to any other person, firm or corporation.

(f) The Initial Purchasers shall have received from Vinson & Elkins L.L.P. and Latham and Watkins LLP, counsel for the Initial Purchasers, such opinion or opinions, dated the Closing Date and, if applicable, any Option Closing Date, with respect to the issuance and sale of the Securities, the Disclosure Package, the Final Offering Memorandum and other related matters as the Initial Purchasers may reasonably require, and the Company and the Guarantor shall have furnished to such counsel such documents as such counsel reasonably requests for the purpose of enabling such counsel to pass upon such matters.

(g) The Initial Purchasers shall have received on the date of the Applicable Time and on the Closing Date and, if applicable, any Option Closing Date, letters, dated the date of the Applicable Time and Closing Date and, if applicable, any Option Closing Date, respectively, in form and substance satisfactory to the Initial Purchasers, from PricewaterhouseCoopers LLP, independent public accountants, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference into each Memorandum; *provided* that the letter delivered on the Closing Date and, if applicable, any Option Closing Date, shall use a "cut-off date" not earlier than three days from the date hereof.

(h) The Common Shares issuable upon exchange of the Notes shall have been approved for listing on the New York Stock Exchange, subject to official notice of issuance, and satisfactory evidence of such actions shall have been provided to the Representatives.

6. *Covenants of the Company and the Guarantor*

In further consideration of the agreements of the Initial Purchasers contained in this Agreement, the Company and the Guarantor, jointly and severally, covenant with the Initial Purchasers as follows:

(a) To furnish to the Initial Purchasers in New York City, without charge, prior to 10:00 A.M. New York City time on January 13, 2017 and during the period mentioned in Section 6(c), as many copies of the Disclosure Package, the Memorandum, any documents incorporated by reference therein and any supplements and amendments thereto as the Initial Purchasers may reasonably request.

(b) Before amending or supplementing the Disclosure Package or the Memorandum, to furnish to the Initial Purchasers a copy of each such proposed amendment or supplement and not to use any such proposed amendment or supplement to which the Initial Purchasers reasonably object.

(c) If, during such period after the date hereof and prior to the date on which all of the Securities (including the Option Notes) shall have been sold by the Initial Purchasers, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Disclosure Package or the Memorandum in order to make the statements therein, in the light of the circumstances when the Disclosure Package or the Memorandum is delivered to a purchaser, not misleading, or if, in the opinion of counsel for the Initial Purchasers, it is necessary to amend or supplement the Disclosure Package or the Memorandum to comply with applicable law, forthwith to prepare and furnish, at its own expense, to the Initial Purchasers, either amendments or supplements to the Disclosure Package or the Memorandum so that the statements in the Disclosure Package or the Memorandum as so amended or supplemented will not, in the light of the circumstances when the Disclosure Package or the Memorandum is delivered to a purchaser, be misleading or so that the Disclosure Package or the Memorandum, as amended or supplemented, will comply with applicable law.

(d) To endeavor to qualify the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Initial Purchasers shall reasonably request; *provided, however* that neither the Company nor the Guarantor shall be obligated to file any

general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(e) The Company and the Guarantor will not, without the prior written consent of Citigroup Global Markets Inc. and Goldman, Sachs & Co. offer, sell, contract to sell, pledge, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company, the Guarantor or any affiliate of the Company or the Guarantor), directly or indirectly, including the filing (or participation in the filing) of a registration statement

with the Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act, any Common Shares or any securities convertible into, or exercisable, or exchangeable for, Common Shares; or publicly announce an intention to effect any such transaction, until 60 days after the Applicable Time, provided, however, that (i) the Guarantor may issue and sell Common Shares pursuant to any employee stock option plan, stock ownership plan or dividend reinvestment plan of the Guarantor in effect at the Applicable Time; (ii) the Guarantor may issue Common Shares issuable upon the conversion of securities or the exercise of warrants or options outstanding at the Applicable Time and file a registration statement under the Securities Act related thereto; (iii) the Guarantor may issue Common Shares as consideration in an acquisition of the stock or assets of another entity or any contract or offer to enter into a contract therefore and file a registration statement with the Commission related thereto; (iv) the Guarantor may enter into an agreement providing for the issuance of Common Shares or any security or convertible into or exercisable for Common Shares in connection with joint ventures, commercial relationships or other strategic transactions, and may issue such securities pursuant to any such agreement and file a registration statement with the Commission related thereto; (v) the Guarantor or any affiliate of the Guarantor may engage in an intercompany transfer of existing Common Shares; and (vi) the Guarantor may issue Common Shares in connection with any exchange of the Notes; provided, however, that any Common Shares issued pursuant to clauses (iii) and (iv) above will not exceed 25% of the Guarantor's issued and outstanding share capital on the date of the Offering Memorandum and will be subject to a lockup agreement for a period of time equal to the time remaining under the Company and Guarantor lockup described above.

(f) The Guarantor will reserve and/or keep available at all times, free of preemptive rights, the full number of Common Shares issuable upon exchange of the Notes. The Guarantor will use all reasonable best efforts to maintain the listing of the Common Shares issuable upon exchange of the Notes on the New York Stock Exchange for so long as any Notes are outstanding.

(g) Between the date hereof and the Closing Date, the Company and the Guarantor will not do or authorize any act or thing that would result in an adjustment of the exchange rate set forth in the Final Offering Memorandum.

(h) Whether or not the transactions contemplated in this Agreement are consummated or this Agreement is terminated, to pay or cause to be paid all expenses incident to the performance of their respective obligations under this Agreement, including: (i) the fees, disbursements and expenses of the Company's and the Guarantor's counsel and the Company's and the Guarantor's accountants in connection with the issuance and sale of the Securities and all other fees or expenses of the Company and the Guarantor in connection with the preparation of the Disclosure Package and the Memorandum and all amendments and supplements thereto, including all printing costs associated therewith, and the delivery of copies thereof to the Initial Purchasers, in the quantities herein above specified, (ii) all costs and expenses related to the issuance, transfer and delivery of the Securities to the Initial Purchasers, including any transfer or other taxes payable thereon, and the issuance of the Common Shares upon exchange of

the Notes, (iii) the cost of printing or producing any blue sky or legal investment memorandum in connection with the offer and sale of the Securities under state securities laws and all expenses in connection with the qualification of the Securities for offer and sale under state securities laws as provided in Section 6(d) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Initial Purchasers in connection with such qualification and in connection with the Blue Sky or legal investment memorandum, (iv) any fees charged by rating agencies for the rating of the Securities, (v) the costs and charges of the Trustee and any transfer agent, exchange agent registrar, depositary, or the Securities Administrator, (vi) the costs and expenses of the Company and the Guarantor relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Securities, including, without limitation, expenses associated with the preparation or dissemination of any electronic road show, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company or the Guarantor, travel and lodging expenses of the representatives and officers of the Company and the Guarantor and any such consultants, and the cost of any aircraft chartered in connection with the road show, (vii) the costs and expenses relating to the listing of the Common Shares on the New York Stock Exchange and (viii) all other costs and expenses incident to the performance of the obligations of the Company and the Guarantor hereunder for which provision is not otherwise made in this Section. It is understood, however, that except as provided elsewhere in this Agreement, the Initial Purchasers will pay all of their costs and expenses, including fees and disbursements of their counsel, including structuring counsel, transfer taxes payable upon their resale of any of the Securities by them and any advertising expenses connected with any offers they may make.

(i) Neither the Guarantor nor any Affiliate of the Guarantor will sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Securities Act) which could be integrated with the sale of the Securities in a manner that would require the registration under the Securities Act of the Securities or the Common Shares issuable upon exchange of the Notes.

(j) Not to solicit any offer to buy or offer or sell the Securities by means of any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

(k) While any of the Securities or Common Shares issuable upon exchange of the Notes remain "restricted securities" within the meaning of Rule 144(c)(3), to make available, upon request, to any seller of such Securities the information specified in Rule 144A(d)(4) under the Securities Act, unless the Guarantor is then subject to Section 13 or 15(d) of the Exchange Act.

(l) Before using, authorizing, approving or referring to any written communication that constitutes an offer to sell or a solicitation to buy the Notes or the Guarantees (other than the Disclosure Package and the Final Offering Memorandum), the Company will furnish to the Initial Purchasers a copy of such written communication for

review and will not use, authorize, approve or refer to any such written communication to which the Initial Purchasers reasonably object.

7. *Offering of Securities; Restrictions on Transfer*

(a) Each Initial Purchaser, severally and not jointly, represents, warrants and agrees that (i) it is a qualified institutional buyer as defined in Rule 144A under the Securities Act (a "***QIB***"), and an "accredited investor" within the meaning of Rule 501 under the Securities Act, (ii) it has not solicited offers for, or offered or sold, and will not solicit offers for, or offer or sell, such Securities by any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act and (iii) it will solicit offers for such Securities only from, and will offer such Securities only to, persons that it reasonably believes to be QIBs in transactions pursuant to Rule 144A and in connection with each such sale, it has taken or will take reasonable steps to ensure that such sale is being made in reliance on Rule 144A. Each Initial Purchaser will comply with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Securities or has in its possession or distributes the Disclosure Package or the Memorandum or any such other material, in all cases at its own expense, except as provided in Section 6(e).

(b) Each Initial Purchaser acknowledges and agrees that the Company and, for the purposes of the opinions to be delivered to the Initial Purchasers pursuant to Sections 5(c), 5(d), 5(e) and 5(f), counsel for the Company, counsel for the Guarantor and counsel for the Initial Purchasers, respectively, may rely upon the accuracy of the representations and warranties of such Initial Purchaser, and compliance of such Initial Purchaser with its agreements, contained in paragraph 7(a) above, and such Initial Purchaser hereby consents to such reliance.

8. *Indemnity and Contribution*

(a) The Company and the Guarantor, jointly and severally, agree to indemnify and hold harmless each Initial Purchaser, its affiliates, the respective officers and directors of the Initial Purchasers, and each person, if any, who controls any Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and each selling agent who is deemed to have participated or alleged to have participated in the distribution of the Securities from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) caused by any untrue statement or alleged untrue statement of a material fact contained in any Additional Written Communication, the Offering Memorandum, the Disclosure Package, the Final Offering Memorandum, or in any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein in the light of the circumstances under which they were made not misleading, except insofar as such losses, claims, damages or liabilities are caused by any such untrue statement or omission or alleged untrue statement or omission based upon information furnished to the Company in writing by the Initial Purchasers through the Representatives expressly for use therein, it being understood and agreed that the only information furnished by any such Initial Purchaser consists of the information described in Section 8(b);

(b) Each Initial Purchaser, severally and not jointly, agrees to indemnify and hold harmless the Company, its affiliates, its directors, its officers, the Guarantor, its directors, its officers and each other person, if any, who controls the Company or the Guarantor within the meaning of either Section 15 of the Securities 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 information relating to the Initial Purchasers furnished in writing by the Initial Purchasers through the Representatives to the Company expressly for use in any Additional Written Communication, the Offering Memorandum, the Disclosure Package or the Final Offering Memorandum or any amendments or supplements thereto, it being understood and agreed that the only information furnished by any such Initial Purchaser consists of the following information in the Offering Memorandum: (i) the names of the Initial Purchasers on the cover page and (ii) the tenth (first sentence only) and eleventh paragraphs under the caption "Plan of Distribution."

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to Section 8(a) or 8(b), such person (the "***indemnified party***") shall promptly notify the person against whom such indemnity may be sought (the "***indemnifying party***") in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceeding and shall pay the fees and disbursements of such counsel related to such proceeding; but the omission so to promptly notify the indemnifying party shall not relieve it from any liability which it may have to

any indemnified party provided that the party entitled to be so notified is not prejudiced by such delay to promptly notify. In any such proceeding, any indemnified party 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 party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party 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 the indemnifying party shall not, in respect of the legal expenses of any indemnified party 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 such indemnified parties and that all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by the Representatives, in the case of parties indemnified pursuant to Section 8(a), and by the Guarantor, in the case of parties indemnified pursuant to Section 8(b). The indemnifying party 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, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the indemnifying party agrees that it shall be liable for

any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding, and (ii) does not include an admission of fault, culpability or a culpable failure to act, by or on behalf of an indemnified party.

(d) To the extent the indemnification provided for in Section 8(a) or 8(b) is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party 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 Company or the Guarantor on the one hand and the Initial Purchasers on the other hand from the offering of the Notes or (ii) if the allocation provided by clause 8(d)(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 8(d)(i) above but also the relative fault of the Company or the Guarantor on the one hand and of the Initial Purchasers on the other hand 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 or the Guarantor on the one hand and the Initial Purchasers on the other hand in connection with the offering of the Notes shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Notes (before deducting expenses) received by the Company and the total discounts and commissions received by the Initial Purchasers, in each case as set forth in the Offering Memorandum or herein, bear to the aggregate offering price of the Notes. The relative fault of the Company or the Guarantor on the one hand and of the Initial Purchasers on the other hand 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 and the Guarantor or by the Initial Purchasers, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The Company, the Guarantor and the Initial Purchasers agree that it would not be just or equitable if contribution pursuant to this Section 8 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 Section 8(d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in Section 8(d) shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of

this Section 8, no Initial Purchaser shall be required to contribute any amount in excess of the amount by which the total price at which the Notes resold by it in the initial placement of such Notes were offered to investors exceeds the amount of any damages that such Initial Purchaser has 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 Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in this Section 8 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity. The Initial Purchasers' obligations to contribute pursuant to this Section 8(e) are several in proportion to the respective principal amount of Notes they have agreed to purchase hereunder and not joint.

(f) The indemnity and contribution provisions contained in this Section 8 and the representations, warranties and other statements of the Company or the Guarantor contained in this Agreement 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 Initial Purchaser or any person controlling any Initial Purchaser or by or on behalf of the Company, its officers or directors, the Guarantor, its officers or directors or any other person controlling the Company or the Guarantor and (iii) acceptance of and payment for any of the Notes.

9. *Termination*

This Agreement shall be subject to termination by notice given by the Initial Purchasers to the Company and the Guarantor, if (a) after the execution and delivery of this Agreement and prior to the Closing Date or, if applicable, any Option Closing Date (i) trading generally shall have been suspended or materially limited on or by, as the case may be, either the New York Stock Exchange or The NASDAQ Stock Market LLC, or settlement of trading shall have been materially disrupted, (ii) trading of any securities of the Guarantor, including the Common Shares, shall have been suspended on any exchange or in any over-the-counter market, (iii) a general moratorium on commercial banking activities in New York shall have been declared by either Federal or New York State authorities or (iv) there shall have occurred any outbreak or escalation of hostilities (including without limitation an act of terrorism) or any change in financial markets or any calamity or crisis that, in your judgment, is material and adverse to the financial markets generally and (b) in the case of any of the events specified in clauses 9(a)(i) through 9(a)(iv), such event, singly or together with any other such event, makes it, in your judgment, impracticable to market the Securities on the terms and in the manner contemplated by this Agreement and the Offering Memorandum.

10. *Default by an Initial Purchaser*

If any one or more Initial Purchasers shall fail to purchase and pay for any of the Purchased Notes and, if applicable, one or more of the Option Purchasers shall fail to purchase and pay for any of the Option Notes, if any, agreed to be purchased by such Initial Purchaser or Option Purchaser, as applicable, hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Initial

Purchasers or, in the case of the Option Notes, the remaining Option Purchasers, shall be obligated severally to take up and pay for (in the respective proportions that the principal amount of Notes set forth opposite their names in Schedule A hereto bears to the aggregate principal amount of Notes set forth opposite the names of all the remaining Initial Purchasers or, in the case of the Option Notes, the respective proportions that the percentage set forth opposite their names in Schedule B hereto bears to the aggregate percentage set forth opposite the names of all the remaining Option Purchasers) the Purchased Notes or the Option Notes, as applicable, that the defaulting Initial Purchaser or Initial Purchasers or Option Purchasers agreed but failed to purchase; provided, however, that in the event that the aggregate principal amount of Purchased Notes that the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase shall exceed 10% of the aggregate principal amount of Notes set forth in Schedule A hereto or in the event that the aggregate principal amount of Option Notes that the defaulting Option Purchaser or Option Purchasers agreed but failed to purchase shall exceed 10% of such Option Notes sold with respect to such Option Closing Date, the remaining Initial Purchasers or Option Purchasers, as applicable, shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Purchased Notes or, if applicable, the Option Notes, and if such nondefaulting Initial Purchasers or Option Purchasers, as applicable, do not purchase all the Purchased Notes or, if applicable, the Option Notes, this Agreement will terminate without liability to any nondefaulting Initial Purchaser or Option Purchaser or the Company. In the event of a default by any Initial Purchaser or Option Purchaser as set forth in this Section 10, the Closing Date and, if applicable, any Option Closing Date shall be postponed for such period, not exceeding five business days, as the Initial Purchasers or Option Purchasers, as applicable, shall determine in order that the required changes in the Final Offering Memorandum or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Initial Purchaser or Option Purchaser, as applicable, of its liability, if any, to the Company or any nondefaulting Initial Purchaser or Option Purchaser, as applicable, for damages occasioned by its default hereunder.

11. *Effectiveness; Expense Reimbursement*

This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

If this Agreement shall be terminated by the Initial Purchasers because of any failure or refusal on the part of the Company or the Guarantor to comply with the terms or to fulfill any of the conditions of this Agreement, or if for any reason the Company or the Guarantor shall be unable to perform its obligations under this Agreement, the Company will reimburse the Initial Purchasers for all out-of-pocket expenses (including the fees and disbursements of their counsel up to a maximum of $100,000) reasonably incurred by the Initial Purchasers in connection with this Agreement or the offering contemplated hereunder.

12. *Notices*

Notices given pursuant to this Agreement shall be in writing and shall be delivered (a) if to the Company, at 515 W. Greens Road, Suite 1200, Houston, Texas 77067, Attention: Chief Financial Officer, or (b) if to the Guarantor, Crown House, 4 Par-La-Ville Road, Hamilton, Second Floor, HM08, Bermuda, or (c) if to the Initial Purchasers, to Citigroup Global Markets

Inc., 388 Greenwich Street, New York, New York, 10013, Attention: General Counsel, facsimile number 1-646-291-1469 and Goldman, Sachs & Co., 200 West Street, New York, New York 10282-2198, Attention: Registration Department, or in any case to such other address as the person to be notified may have requested in writing.

13. *Successors*

This Agreement is made solely for the benefit of the Initial Purchasers, the Company, the Guarantor, their respective directors and officers

and other controlling persons referred to in Section 8 hereof, and their respective successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. The term "successors and assigns" as used in this Agreement shall not include a purchaser from the Initial Purchasers of any of the Securities in its status as such purchaser.

14. *Partial Unenforceability*

If any section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other section, paragraph or provision hereof.

15. *Counterparts*

This Agreement may be signed (including by facsimile) in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

16. *Applicable Law*

This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York.

17. *No Fiduciary Duty*

The Company and Guarantor hereby acknowledge that (a) the purchase and sale of the Securities pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Guarantor, on the one hand, and the Initial Purchasers and any affiliate through which they may be acting, on the other, (b) the Initial Purchasers are acting as principal and not as an agent or fiduciary of the Company or the Guarantor and (c) the Company's engagement of the Initial Purchasers in connection with the offering and the process leading up to the offering is as 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 (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.

18. *Consent to Jurisdiction*

Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby ("***Related Proceedings***") may be instituted in the federal courts of the United States of America located in the City and County of New York, Borough of Manhattan, or the courts of the State of New York in each case located in the City and County of New York, Borough of Manhattan (collectively, the "***Specified Courts***"), and each party irrevocably submits to the exclusive jurisdiction (except for proceedings instituted in regard to the enforcement of a judgment of any such court (a "***Related Judgment***"), as to which such jurisdiction is non-exclusive) of such courts in any such suit, action or proceeding. Service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or other proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such suit, action or other proceeding brought in any such court has been brought in an inconvenient forum. Each party not located in the United States irrevocably appoints CT Corporation System as its agent to receive service of process or other legal summons for purposes of any such suit, action or proceeding that may be instituted in any state or federal court in the City and County of New York.

19. *Waiver of Immunity*

With respect to any Related Proceeding, each party irrevocably waives, to the fullest extent permitted by applicable law, all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, service of process, attachment (both before and after judgment) and execution to which it might otherwise be entitled in the Specified Courts, and with respect to any Related Judgment, each party waives any such immunity in the Specified Courts or any other court of competent jurisdiction, and will not raise or claim or cause to be pleaded any such immunity at or in respect of any such Related Proceeding or Related Judgment, including, without limitation, any immunity pursuant to the United States Foreign Sovereign Immunities Act of 1976, as amended.

20. *Headings*

The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed a part of this Agreement.

Very truly yours,

NABORS INDUSTRIES LTD.

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

NABORS INDUSTRIES, INC.

By: /s/ William Restrepo
Name: William Restrepo
Title: Chief Financial Officer

Signature Page to Purchase Agreement

Accepted as of the date hereof:

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Jason Howard
Name: Jason Howard
Title: Director

GOLDMAN, SACHS & CO.

By: /s/ Richard Cohn
Name: Richard Cohn
Title: Managing Director

Signature Page to Purchase Agreement

SCHEDULE I

Pricing Supplement

Schedule I-1

Pricing Supplement dated January 9, 2017

This Pricing Supplement is qualified in its entirety by reference to the Preliminary Offering Memorandum dated January 9, 2017 (the "Preliminary Offering Memorandum"). The information in this Pricing Supplement supplements the Preliminary Offering Memorandum and supersedes the information in the Preliminary Offering Memorandum. Capitalized terms used but not defined herein have the meanings assigned to such terms in the Preliminary Offering Memorandum.

The Notes have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and are being offered only to qualified institutional buyers pursuant to Rule 144A under the Securities Act.

Terms Applicable to the 0.75% Exchangeable Senior Notes due 2024 (the "Notes")

Security Offered:	0.75% Exchangeable Senior Notes due 2024. Unless the context requires otherwise, as used in this Pricing Supplement, each Note refers to a Note having a principal amount of $1,000.
Ticker/Exchange for Common Shares of the Guarantor:	NBR / NYSE
Issuer:	Nabors Industries, Inc.
Guarantor:	Nabors Industries Ltd.
Principal Amount:	$500,000,000 aggregate principal amount of Notes

Gross Proceeds:	$500,000,000
Net Proceeds:	$488,118,000
Initial Purchasers' Over-Allotment Option:	$75,000,000 aggregate principal amount of Notes
Maturity Date:	January 15, 2024, unless earlier exchanged, redeemed or purchased
Offering Price to Investors:	100.000% of the principal amount
Coupon:	0.75%
Yield to Maturity:	0.75%
Interest Payment Dates:	January 15 and July 15, beginning July 15, 2017

Regular Record Dates:	January 1 and July 1
NYSE Last Reported Sale Price on January 9, 2017:	$17.97 per Common Share
Exchange Premium:	Approximately 40% above the NYSE Last Reported Sale Price on January 9, 2017
Initial Exchange Price:	Approximately $25.16 per Common Share
Initial Exchange Rate:	39.7488 Common Shares per $1,000 principal amount of Notes
Redemption at the Issuer's Option:	The Notes may not be redeemed at the Issuer's option, except in limited circumstances in connection with a change in tax law, as described in the Preliminary Offering Memorandum. Notice of such a redemption would be deemed to constitute a "make-whole fundamental change," which will in certain circumstances result in a temporary increased exchange rate.
Joint Book-Runners:	Citigroup Global Markets Inc. Goldman, Sachs & Co. Mizuho Securities USA Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated
Co-Managers:	Morgan Stanley & Co. LLC HSBC Securities (USA) Inc. MUFG Securities Americas Inc. Deutsche Bank Securities Inc. Wells Fargo Securities, LLC PNC Capital Markets LLC BBVA Securities Inc. SMBC Nikko Securities America, Inc. U.S. Bancorp Investments, Inc. Credit Suisse Securities (USA) LLC RBC Capital Markets, LLC Scotia Capital (USA) Inc. ANZ Securities, Inc.
Trade Date:	January 10, 2017
Settlement Date:	January 13, 2017 (T+3)
Denominations:	$1,000 and in integral multiples of $1,000 in excess thereof

CUSIP:	Rule 144A: 62957H AA3
ISIN:	Rule 144A: US62957HAA32

Capped Call Transactions: In connection with the pricing of the Notes, the Issuer and the Guarantor expect to enter into capped call transactions with one or more of the Initial Purchasers and/or any of their affiliates (the "option counterparties"). The capped call transactions are intended to reduce the dilutive impact of the exchange feature of the Notes on the Guarantor's issued and outstanding common shares and/or offset any cash payments the Issuer will be required to make in excess of the principal amount, upon any exchange of the Notes, with such reduction and/or offset subject to a cap. If the Initial Purchasers exercise their overallotment option to purchase additional Notes, the Issuer may enter into additional capped call transactions.

In connection with establishing their initial hedge of the capped call transactions, the option counterparties and/or their affiliates expect to enter into various derivative transactions with respect to the common shares concurrently with or shortly after the pricing of the Notes. This activity could increase (or reduce the size of any decrease in) the market price of the common shares or the Notes at that time.

In addition, the option counterparties and/or their affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to the common shares and/or purchasing or selling the common shares in secondary market transactions following the pricing of the Notes and prior to the maturity of the Notes (and are likely to do so during any exchange period related to an exchange of Notes). This activity could also cause or avoid an increase or a decrease in the market price of the common shares or the Notes, which could affect holders ability to exchange the Notes and, to the extent the activity occurs during any exchange period related to an exchange of Notes, could affect the amount and value of the consideration that holders will receive upon exchange of the Notes. See ''Risk Factors—Risk Factors Related to the Offering—The capped call transactions may affect the value of the Notes and Nabors' common shares in the Preliminary Offering Memorandum.

Use of Proceeds: The net proceeds of this offering, after deducting commissions and estimated offering expenses payable by the Issuer, are expected to be approximately $488.1 million (or $561.6 million if the Initial Purchasers exercise their overallotment option in full). The Issuer intends to use approximately $35.0 million of the net proceeds from this offering to pay the cost of the capped call transactions it intends to enter into with respect to the common shares. The Issuer intends to use approximately $162.5 million of the net proceeds to prepay the remaining balance of its $325.0 million unsecured term loan which matures in 2020. The Issuer intends to use any remaining net proceeds from the offering for general corporate purposes, including to repurchase or repay other indebtedness. See "Use of Proceeds" in the Preliminary Offering Memorandum. To the extent that the Initial Purchasers exercise their overallotment option, the Issuer will use a portion of the proceeds from such issuance of additional Notes to pay the cost of any related capped call transactions it enters into in connection with such exercise of the overallotment option and will use remaining proceeds for general corporate purposes, including to repurchase or repay other indebtedness.

Indebtedness: As of September 30, 2016, the Guarantor had total consolidated indebtedness of $3.48 billion, resulting in a gross debt to capital ratio of 0.49:1 and a net debt to capital ratio of 0.48:1. As of the same date, after giving effect to both the December 2016 Senior Notes Offering and this offering and the use of proceeds therefrom, the Guarantor's total consolidated indebtedness would have been $3.90 billion, resulting in a gross debt to capital ratio of 0.52:1 and a net debt to capital ratio of 0.48:1. The indenture governing the Notes will not limit the amount of debt that the Issuer, the Guarantor or their respective subsidiaries may incur.

Fundamental Change Purchase Right: If fundamental change occurs (as defined in the Preliminary Offering Memorandum under the caption "Description of the Notes— Purchase at the Option of the Holder Upon a Fundamental Change") prior to maturity, holders will have the right, at such holder's option, to require the Issuer to purchase for cash some or all of such holders' Notes at a purchase price equal to 100% of the principal amount of the Notes being purchased, plus accrued and unpaid interest to, but excluding, the fundamental change purchase date.

Increase in Exchange Rate in Connection with a Make-Whole Fundamental Change: The following table sets forth, for each share price and make-whole fundamental change effective date set forth below, the number of additional shares by which the exchange rate will be increased in connection with a make-whole fundamental change per $1,000 principal amount of Notes:

	Share Price										
Effective Date	**$17.97**	**$20.00**	**$22.50**	**$25.16**	**$27.50**	**$30.00**	**$35.00**	**$40.00**	**$50.00**	**$60.00**	**$75.00**
January 13, 2017	15.8995	13.1490	10.5413	8.4320	6.9825	5.7427	3.9326	2.7138	1.2746	0.5487	0.0900
January 15, 2018	15.8995	13.1490	10.5413	8.4118	6.9153	5.6437	3.8057	2.5845	1.1704	0.4788	0.0647

January 15, 2019	15.8995	13.1490	10.5413	8.3398	6.7927	5.4887	3.6266	2.4105	1.0372	0.3923	0.0360
January 15, 2020	15.8995	13.1490	10.5329	8.1475	6.5502	5.2183	3.3483	2.1563	0.8578	0.2847	0.0100
January 15, 2021	15.8995	13.1490	10.2156	7.7273	6.0876	4.7427	2.9031	1.7745	0.6158	0.1570	0.0000
January 15, 2022	15.8995	12.9315	9.5058	6.9110	5.2491	3.9260	2.2029	1.2200	0.3182	0.0363	0.0000
January 15, 2023	15.8995	11.8580	8.0587	5.3271	3.6982	2.5037	1.1389	0.4940	0.0494	0.0000	0.0000
January 15, 2024	15.8995	10.2510	4.6956	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The exact share price and make-whole fundamental change effective date may not be set forth on the table, in which case, if the share price is:

- between two share prices in the table or such make-whole fundamental change effective date is between two dates on the table, the number of make-whole shares added to the exchange rate of the notes will be determined by straight- line interpolation between the number of make-whole shares set forth for the higher and lower share price amounts and the two dates, as applicable, based on a 360-day year;

- in excess of $75.00 per share (subject to adjustment in the same manner and at the same time as the share prices in the table above), no make-whole shares will be added to the exchange rate of the notes;

- less than $17.97 per share (subject to adjustment in the same manner and at the same time as the share prices in the table above), no make-whole shares will be added to the exchange rate of the notes.

Notwithstanding the foregoing, in no event will the exchange rate for the notes exceed 55.6483 shares per $1,000 principal amount of the notes, subject to adjustments in the same manner as the exchange rate.

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

This communication is for informational purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy any security. No offer to buy securities described herein can be accepted, and no part of the purchase price thereof can be received, unless the person making such investment decision has received and reviewed the information contained in the relevant offering memorandum in making their investment decisions. This communication is not intended to be a confirmation as required under Rule 10b-10 of the Securities Exchange Act of 1934. A formal confirmation will be delivered to you separately.

None of the exchangeable senior notes, the guarantee or the common shares deliverable upon exchange of the notes, if any, have been registered under the Securities Act. The notes may not be offered or sold within the United States or to U.S. persons except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A. You are hereby notified that sellers of the notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. You may obtain a copy of the Preliminary Offering Memorandum and the Final Offering Memorandum (when available) for this transaction by calling your Citigroup Global Markets Inc. or Goldman, Sachs & Co. sales representative to request it.

SCHEDULE II

Purchase Price: 97.90% of the aggregate principal amount of the Notes

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SCHEDULE A

Initial Purchasers		Principal Amount of Notes to be Purchased
Citigroup Global Markets Inc.	$	148,381,000
Goldman, Sachs & Co.	$	124,952,000
Mizuho Securities USA Inc.	$	58,571,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$	58,571,000
Morgan Stanley & Co. LLC	$	14,286,000
HSBC Securities (USA) Inc.	$	14,286,000
MUFG Securities Americas Inc.	$	14,286,000
Deutsche Bank Securities Inc.	$	14,286,000
Wells Fargo Securities, LLC	$	14,286,000
PNC Capital Markets LLC	$	7,619,000
BBVA Securities Inc.	$	4,762,000
SMBC Nikko Securities America, Inc.	$	4,762,000
U.S. Bancorp Investments, Inc.	$	4,762,000
Credit Suisse Securities (USA) LLC	$	4,762,000

RBC Capital Markets, LLC	$	4,762,000
Scotia Capital (USA) Inc.	$	4,762,000
ANZ Securities, Inc.	$	1,904,000
Total	$	500,000,000

SCHEDULE B

Initial Purchasers	Percentage of Option Notes to be Purchased
Citigroup Global Markets Inc.	38.0%
Goldman, Sachs & Co.	32.0%
Mizuho Securities USA Inc.	15.0%
Merrill Lynch, Pierce, Fenner & Smith Incorporated	15.0%
Total	100.0%

ANNEX 5(C)

OPINION OF JULIA WRIGHT

(i) Each of the Company, Nabors International Finance Inc., Nabors Drilling Technologies USA, Inc. and Nabors Drilling Holdings Inc. (collectively, the "***Selected Subsidiaries***" and each a "***Selected Subsidiary***"), has been duly organized and is validly existing as a corporation or limited partnership in good standing under the laws of the jurisdiction in which it is chartered or organized, with full corporate or partnership power and authority to own its properties and conduct its business as described in each Memorandum, and is duly qualified to do business as a foreign corporation or limited partnership and is in good standing under the laws of each jurisdiction which requires such qualification wherein it owns or leases properties or conducts business, except to the extent that the failure to be so qualified or be in good standing would not have a material adverse effect on the Guarantor and its subsidiaries, taken as a whole;

(ii) All outstanding shares of capital stock (or limited partnership interests) of each of the Company and the other Significant Subsidiaries are owned by the Guarantor either directly or through wholly owned subsidiaries free and clear of any perfected security interest, other than any perfected security interest in favor of the Guarantor or another Significant Subsidiary and, to the knowledge of such counsel, any other security interests, claims, liens or encumbrances other than any liens, encumbrances, equities or claims in favor of the Guarantor or another Significant Subsidiary;

(iii) To the knowledge of such counsel, there is no pending or threatened material action, suit or proceeding before any court or governmental agency, authority or body or any arbitrator involving the Guarantor or any of its subsidiaries of a character required to be disclosed in either Memorandum which is not disclosed in each such Memorandum; and

(iv) Neither the issue and sale of the Notes, the consummation of any other of the transactions contemplated by this Agreement or the Indenture nor the fulfillment of the terms thereof will conflict with, result in a breach or violation of, or constitute a default under the terms of (A) any indenture or other agreement or instrument known to such counsel and to which the Company, the Guarantor or any of the Significant Subsidiaries is a party or bound, or any judgment, order or decree known to such counsel to be applicable to the Company, the Guarantor or any of the Significant Subsidiaries of any court, regulatory body, administrative agency, governmental body or arbitrator having jurisdiction over the Company, the Guarantor or any of the Significant Subsidiaries, except such as would not, either singly or in the aggregate, have a material adverse effect upon the Guarantor and its subsidiaries, taken as a whole, or prevent the Company or the Guarantor from performing its obligations under this Agreement or the Indenture or (B) the respective charters, bylaws or other organizational documents of the Significant Subsidiaries (assuming that the relevant laws of the jurisdiction of organization of any Significant Subsidiary not organized in Texas or Delaware are the same as those of Texas).

Such counsel shall also state that it has no reason to believe that the Disclosure Package, as of the Applicable Time and at the Closing Date, or the Final Offering Memorandum, as of its date and at the Closing Date, contained or contains an untrue statement of a material fact or

omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (it being understood that such counsel need not express an opinion or comment with respect to the financial statements and the other financial information contained or incorporated by reference therein or excluded therefrom).

ANNEX 5(D)-1

OPINION OF MILBANK, TWEED, HADLEY & McCLOY LLP

1. The Company is validly existing as a corporation in good standing under the laws of the State of Delaware.

2. The statements in the Offering Memorandum under "Description of the Notes" and "Transfer Restrictions" insofar as such statements purport to summarize certain provisions of the Notes, Guarantees and the Indenture referred to therein as of the date hereof, fairly summarize such provisions.

3. The statements in the discussion of matters in connection with the United States Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"), contained under the caption each Offering Memorandum titled "Certain Employee Benefit Plan Considerations for Investors" are, to the extent they concern matters of law or legal conclusions, correct in all material respects.

4. Neither the offer, sale and delivery of the Notes and Guarantees by the Company and the Guarantor to the Initial Purchasers, the initial resale thereof by the Initial Purchasers in the manner contemplated in the Disclosure Package and the Final Offering Memorandum and by the Purchase Agreement require registration under the Securities Act of 1933, as amended (it being understood that we express no opinion in this paragraph as to any subsequent resale of any Securities), and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.

5. The Indenture has been duly authorized, executed and delivered by the Company, and, assuming it has been duly authorized, executed and delivered by each of the Guarantor, the Trustee and the Securities Administrator, the Indenture constitutes a legal, valid and binding agreement enforceable against the Company and the Guarantor in accordance with its terms (subject to the qualification that (a) enforceability of the obligations of the Company and the Guarantor thereunder may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer, or similar laws relating to or affecting creditors' rights generally; (b) the enforceability thereof is subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including (i) the possible unavailability of specific performance, injunctive relief or any other equitable remedy, (ii) concepts of materiality, reasonableness, good faith and fair dealing, and (iii) in the case of the Guarantor, possible judicial action giving effect to foreign governmental actions or foreign law; and (c) in the case of rights to indemnity and contribution, as may be limited by provisions imposed by law or public policy).

6. The Notes have been duly authorized by the Company and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers pursuant to the Purchase Agreement, will constitute legal, valid and binding obligations of the Company entitled to the benefits of the Indenture (subject to the qualification that (a) enforceability of the obligations of the Company thereunder may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or

similar laws relating to or affecting creditors' rights generally; and (b) the enforceability thereof is subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including (i) the possible unavailability of specific performance, injunctive relief or any other equitable remedy and (ii) concepts of materiality, reasonableness, good faith and fair dealing); and assuming that the Guarantees have been duly authorized by the Guarantor and that the Guarantor has duly authorized, executed and delivered the Indenture, when the Notes have been executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers pursuant to the Purchase Agreement, the Guarantees will constitute legal, valid and binding obligations of the Guarantor entitled to the benefits of the Indenture (subject to the qualification that (a) enforceability of the obligations of the Guarantor thereunder may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or transfer or similar laws relating to or affecting creditors' rights generally; and (b) the enforceability thereof is subject to the application of general principles of equity (regardless of whether considered in a proceeding in equity or at law), including (i) the possible unavailability of specific performance, injunctive relief or any other equitable remedy, (ii) concepts of materiality, reasonableness, good faith and fair dealing, and (iii) possible judicial action giving effect to foreign governmental actions or foreign law).

7. The Purchase Agreement has been duly authorized, executed and delivered by the Company.

8. No consent, approval, authorization or order of any Governmental Authority (as defined below) is required for the consummation of the transactions contemplated by the Purchase Agreement, except such as have been made or obtained prior to the date hereof, as may be required under state securities or "blue sky" laws of any jurisdiction, and by United States federal and state securities laws and the listing of the Common Shares on the New York Stock Exchange.

9. Neither the issue and sale of the Securities by the Company and the Guarantor, nor the consummation of any of the other transactions contemplated in the Purchase Agreement, nor the fulfillment of the terms of the Purchase Agreement, results in a breach or violation of (a) Applicable Law (as defined below), except such as would not, either singly or in the aggregate, have a material adverse effect on the Guarantor and its subsidiaries, taken as a whole, or prevent either of the Company or the Guarantor from performing its obligations under the Purchase Agreement or the Indenture, or (b) the Restated Certificate of Incorporation or By-laws of the Company.

10. The statements in the each Offering Memorandum under the caption titled "Certain United States Federal Income Tax Considerations" to the extent they constitute statements of law or legal conclusions are, subject to the limitations, qualifications, exceptions, and assumptions set forth therein, correct in all material respects.

11. The Company is not required to, and, immediately after giving effect to the offering and sale of the Securities and the application

of the proceeds thereof as described in each Offering Memorandum, the Company will not be required to register as an investment company under the Investment Company Act of 1940, as amended.

The foregoing opinions in paragraphs 3 and 10 above are limited to matters involving United States federal law, and we do not express any opinion as to the laws of any other jurisdiction. The foregoing opinions in paragraphs 3 and 10 are based on the law in effect on the date hereof, including the United States Internal Revenue Code of 1986, as amended (the "***Code***"), ERISA, United States Treasury and Department of Labor regulations (including proposed regulations) promulgated under the Code and ERISA, respectively, the legislative history thereof, judicial decisions and administrative pronouncements, rulings of the United States Internal Revenue Service and opinions of the United States Department of Labor. Such laws are subject to change, possibly with retroactive effect, and we undertake no obligation to update such opinions or otherwise advise you if any such laws should change. Our opinion is not binding on the Internal Revenue Service, the Department of Labor or a court and, in particular due to the absence of authority addressing a closely comparable transaction, there can be no assurance that the Internal Revenue Service, the Department of Labor or a court will not adopt a position contrary to our opinion.

We express no opinion: (a) as to whether a United States federal or state court outside the State of New York would give effect to the choice of New York law in the Indenture and the Securities; (b) as to whether the United States federal courts could exercise jurisdiction over any action brought against the Guarantor or the Company by any party not a "citizen" of any state for purposes of 28 U.S.C. §1331 and 28 U.S.C. §1332; (c) as to the enforceability of any provision to the extent such provision provides indemnity in respect of any loss sustained as the result of the conversion into United States dollars of a judgment or order rendered by a court or tribunal of any particular jurisdiction and expressed in a currency other than United States dollars; (d) as to the enforceability in the United States of any waiver of immunity to the extent it applies to immunity acquired after the date of the relevant agreement; or (e) any waiver of forum non conveniens or similar doctrine with respect to proceedings in any court other than a court of the State of New York.

For purposes of the opinions rendered above, (i) "Applicable Law" means United States federal laws (other than the federal securities laws), the laws of the State of New York and those provisions of the General Corporation Law of the State of Delaware which in each case in our experience are normally applicable to transactions of the type contemplated by the Purchase Agreement and (ii) "Governmental Authority" means any United States federal or State of New York administrative, judicial or other governmental agency, authority, tribunal or body.

We express no opinion as to matters governed by any laws other than the laws of the State of New York, the General Corporation Law of the State of Delaware, and United States federal laws. The opinions contained herein are rendered to you and are solely for your benefit in connection with the closing under the Purchase Agreement of the sale of the Securities occurring today and may not be used, quoted, relied upon or otherwise referred to by any other person or for any other purpose without our express written consent in each instance. We disclaim any obligation to update anything herein for events occurring after the date hereof.

ANNEX 5(D)-2

NEGATIVE ASSURANCE LETTER
OF
MILBANK, TWEED, HADLEY & McCLOY LLP

On the basis of and subject to the foregoing, we confirm to you that nothing has come to our attention that causes us to believe that: (i) the Disclosure Package (other than the financial statements and other financial information contained or incorporated by reference in or omitted from the Disclosure Package, as to which we express no belief and make no statement), as of the Applicable Time, or (ii) the Final Offering Memorandum (other than the financial statements and other financial information contained or incorporated by reference in or omitted from the Final Offering Memorandum, as to which we express no belief and make no statement), as of its date and at the date hereof, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

ANNEX 5(E)

OPINION OF CONYERS DILL & PEARMAN LIMITED

1. The Guarantor is duly incorporated and existing under the laws of Bermuda in good standing (meaning solely that it has not failed to make any filing with any Bermuda governmental authority, or to pay any Bermuda government fee or tax, which would make it liable to be struck off the Register of Companies and thereby cease to exist under the laws of Bermuda).

2. The Guarantor has the necessary corporate power and authority to conduct its business and to own, lease and operate its property as described in the Offering Memorandum.

3. The Guarantor has the necessary corporate power and authority to enter into and perform its obligations under the Documents, including,

for the avoidance of doubt, the issuance of the Exchange Shares. The execution and delivery of the Documents by the Guarantor and the performance by the Guarantor of its obligations thereunder will not violate the memorandum of association or bye-laws of the Guarantor nor any applicable law, regulation, order or decree in Bermuda.

4. The Guarantor has taken all corporate action required to authorise its execution, delivery and performance of the Documents, including, for the avoidance of doubt, the issuance of the Exchange Shares. The Documents have been duly executed and delivered by or on behalf of the Guarantor, and constitute the valid, binding and enforceable obligations of the Guarantor in accordance with the terms thereof.

5. No order, consent, approval, licence, authorisation or validation of or exemption by any government or public body or authority of Bermuda or any sub-division thereof is required to authorise or is required in connection with the execution, delivery, performance and enforcement of the Documents, except such as have been duly obtained in accordance with Bermuda law.

6. It is not necessary or desirable to ensure the enforceability in Bermuda of the Documents that they be registered in any register kept by, or filed with, any governmental authority or regulatory body in Bermuda. However, to the extent that any of the Documents creates a charge over assets of the Guarantor, it may be desirable to ensure the priority in Bermuda of the charge that it be registered in the Register of Charges in accordance with Section 55 of the Companies Act 1981. On registration, to the extent that Bermuda law governs the priority of a charge, such charge will have priority in Bermuda over any unregistered charges, and over any subsequently registered charges, in respect of the assets which are the subject of the charge. A registration fee of $630 will be payable in respect of the registration.

While there is no exhaustive definition of a charge under Bermuda law, a charge includes any interest created in property by way of security (including any mortgage, assignment, pledge, lien or hypothecation). As the Documents are governed by the

Foreign Laws, the question of whether they create such an interest in property would be determined under the Foreign Laws.

7. The Documents will not be subject to *ad valorem* stamp duty in Bermuda and no registration, documentary, recording, transfer or other similar tax, fee or charge is payable in Bermuda in connection with the execution, delivery, filing, registration or performance of the Documents other than as stated in paragraph 5 hereof.

8. The Exchange Shares have been duly authorized and when issued and paid for upon exchange of the Notes in accordance with the Indenture, will be validly issued, fully paid and non-assessable.

9. Based solely on a search of the public records in respect of the Guarantor maintained at the offices of the Registrar of Companies at [TIME] on [•] January 2017, the authorised share capital of the Guarantor is US$825,000 divided into 825,000,000 total shares of which 800,000,000 are Common Shares and 25,000,000 are preferred shares, par value US$0.001 each.

10. Based solely upon a review of the register of members of the Guarantor prepared by Computershare Shareholder Services Inc., the branch registrar of the Guarantor, on [31] December 2016, there are [333,597,742] issued Common Shares of the Guarantor, all of which are validly issued, fully paid and non-assessable (which term when used herein means that no further sums are required to be paid by the holders thereof in connection with the issue thereof) and such shares are not subject to any statutory pre-emptive or similar rights.

11. The statements set forth in the Offering Memorandum under the caption “Description of Authorized Share Capital” and “Certain Bermuda Tax Considerations” to the extent they constitute statements of Bermuda law, are accurate in all material respects.

12. The choice of the Foreign Laws as the governing law of the Documents is a valid choice of law and would be recognised and given effect to in any action brought before a court of competent jurisdiction in Bermuda, except for those laws (i) which such court considers to be procedural in nature; (ii) which are revenue or penal laws or (iii) the application of which would be inconsistent with public policy, as such term is interpreted under the laws of Bermuda. The submission in the Documents to the jurisdiction of the respective Foreign Courts is valid and binding upon the Guarantor. The appointment of an agent for service of process pursuant to the Documents is valid and binding upon the Guarantor.

13. The courts of Bermuda would recognise as a valid judgment, a final and conclusive judgment *in personam* obtained in the respective Foreign Courts against the Guarantor based upon the Documents under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) and would give a judgment

based thereon provided that (a) such courts had proper jurisdiction over the parties subject to such judgment; (b) such courts did not contravene the rules of natural justice of Bermuda; (c) such judgment was not obtained by fraud; (d) the enforcement of the judgment would not be contrary to the public policy of Bermuda; (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of Bermuda; and (f) there is due compliance with the correct procedures under the laws of Bermuda.

14. The obligations of the Guarantor under the Documents will rank at least *pari passu* in priority of payment with all other unsecured unsubordinated indebtedness of the Guarantor, other than indebtedness which is preferred by virtue of any provision of the laws of

Bermuda of general application.

15. The transactions contemplated by the Documents are not subject to any currency deposit or reserve requirements in Bermuda. The Guarantor has been designated as non-resident of Bermuda for the purposes of the Exchange Control Act 1972 and, as such, is free to acquire, hold and sell foreign currency and securities without restriction.

16. Based solely upon a search of the Cause Book of the Supreme Court of Bermuda conducted at approximately [TIME] a.m. on [•] January 2017 (which would not reveal details of proceedings which have been filed but not actually entered in the Cause Book at the time of our search), there are no judgments against the Guarantor, nor any legal or governmental proceedings pending in Bermuda to which the Guarantor is subject.

17. Based solely on a search of the public records in respect of the Guarantor maintained at the offices of the Registrar of Companies at approximately [TIME] a.m. on [•] January 2017 (which would not reveal details of matters which have not been lodged for registration or have been lodged for registration but not actually registered at the time of our search) and a search of the Cause Book of the Supreme Court of Bermuda conducted at approximately [TIME] a.m. on [•] January 2017 (which would not reveal details of proceedings which have been filed but not actually entered in the Cause Book at the time of our search), no details have been registered of any steps taken in Bermuda for the appointment of a receiver or liquidator to, or for the winding-up, dissolution, reconstruction or reorganisation of, the Guarantor, though it should be noted that the public files maintained by the Registrar of Companies do not reveal whether a winding-up petition or application to the Court for the appointment of a receiver has been presented and entries in the Cause Book may not specify the nature of the relevant proceedings.

18. The Guarantor is not entitled to any immunity under the laws of Bermuda, whether characterised as sovereign immunity or otherwise, from any legal proceedings to enforce the Documents in respect of itself or its property.

19. At the present time, there is no Bermuda income or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by the Guarantor or by its shareholders in respect of its shares. The Guarantor has obtained an assurance from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 that, in the event that any legislation is enacted in Bermuda imposing any tax computed on profits or income, or computed on any capital asset, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not, until 31 March 2035, be applicable to the Guarantor or to any of its operations or to its shares, debentures or other obligations except insofar as such tax applies to persons ordinarily resident in Bermuda or is payable by the Guarantor in respect of real property owned or leased by the Guarantor in Bermuda.

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Section 3: EX-10.2 (EX-10.2)

Exhibit 10.2

EXECUTION VERSION

From: Citigroup Global Markets Inc.
390 Greenwich Street
New York, NY 10013

January 9, 2017

To: Nabors Industries, Inc.
515 W. Greens Road
Suite 1200, Houston, TX 776067
Attention: General Counsel
Telephone No.: (281) 874-0035
Email: general.counsel@nabors.com

Re: Base Call Option Transaction

The purpose of this letter agreement (this "**Confirmation**") is to confirm the terms and conditions of the call option transaction entered into among Citigroup Global Markets Inc. ("**Dealer**"), Nabors Industries, Inc. ("**Counterparty**") and Nabors Industries Ltd. ("**Parent**") as of the Trade Date specified below (the "**Transaction**"). This letter agreement constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below. Each party further agrees that this Confirmation together with the Agreement evidence a complete binding agreement between Counterparty, Parent and Dealer as to the subject matter and terms of the Transaction to which this Confirmation relates, and shall supersede all prior or contemporaneous written or oral communications with respect thereto.

The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the "**Equity Definitions**"), as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") are incorporated into this Confirmation. In the event of any inconsistency between the Equity Definitions and this Confirmation, this Confirmation shall govern. Certain defined terms used herein are based on terms that are defined in the Offering Memorandum dated January 10, 2017 (the "**Offering Memorandum**") relating to the 0.75% Exchangeable Senior Notes due January 15, 2024 (as originally issued by Counterparty, the "**Exchangeable Notes**" and each USD 1,000 principal amount of Exchangeable Notes, an "**Exchangeable Note**") issued by Counterparty in an aggregate initial principal amount of USD 500,000,000 (as increased by up to an aggregate principal amount of USD 75,000,000 if and to the extent that the Initial Purchasers (as defined herein)) exercise their option to purchase additional Exchangeable Notes pursuant to the Purchase Agreement (as defined herein)) pursuant to an Indenture to be dated January 13, 2017 among Counterparty, Parent and Wilmington Trust, National Association, as trustee (the "**Indenture**"). In the event of any inconsistency between the terms defined in the Offering Memorandum, the Indenture and this Confirmation, this Confirmation shall govern. The parties acknowledge that this Confirmation is entered into on the date hereof with the understanding that (i) definitions set forth in the Indenture which are also defined herein by reference to the Indenture and (ii) sections of the Indenture that are referred to herein will conform to the descriptions thereof in the Offering Memorandum. If any such definitions in the Indenture or any such sections of the Indenture differ from the descriptions thereof in the Offering Memorandum, the descriptions thereof in the Offering Memorandum will govern for purposes of this Confirmation. The parties further acknowledge that the Indenture section numbers used herein are based on the draft of the Indenture last reviewed by Dealer as of the date of this Confirmation, and if any such section numbers are changed in the Indenture as executed, the parties will amend this Confirmation in good faith to preserve the intent of the parties. Subject to the foregoing, references to the Indenture herein are references to the Indenture on the date of its execution and if the Indenture is amended or supplemented following such date (other than any amendment or supplement (x) pursuant to Section 9.01(m) of the Indenture that, as determined by the Calculation Agent, conforms the Indenture to the description of Exchangeable Notes in the Offering Memorandum or (y) pursuant to Section 10.05 of the Indenture, subject, in the case of this clause (y), to the second paragraph under "Method of Adjustment" in Section 3), any such amendment or supplement will be disregarded for purposes of this Confirmation (other than as provided in Section 9.(i)(iii) below) unless the parties agree otherwise in writing.

Each party is hereby advised, and each such party acknowledges, that the other party has engaged in, or refrained from engaging in, substantial financial transactions and has taken other material actions in reliance upon the parties' entry into the Transaction to which this Confirmation relates on the terms and conditions set forth below.

1. This Confirmation evidences a complete and binding agreement among Dealer, Counterparty and Parent as to the terms of the Transaction to which this Confirmation relates. This Confirmation shall supplement, form a part of, and be subject to an agreement in the form of the 2002 ISDA Master Agreement (the "**Agreement**") as if Dealer, Counterparty and Parent had executed an agreement in such form (but without any Schedule except for the election that the "Cross Default" provisions of Section 5(a)(vi) of the Agreement shall apply to Dealer, with a "Threshold Amount" equal to 3% of the shareholders' equity of Citigroup Inc.) on the Trade Date. In the event of any inconsistency between provisions of the Agreement and this Confirmation, this Confirmation will prevail for the purpose of the Transaction to which this Confirmation relates. The parties hereby agree that no transaction other than the Transaction to which this Confirmation relates shall be governed by the Agreement.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

General Terms.

Trade Date:	January 9, 2017
Effective Date:	The closing date of the initial issuance of the Exchangeable Notes.
Option Style:	Modified American, as described under "Procedures for Exercise" below
Option Type:	Call
Buyer:	Counterparty
Seller:	Dealer
Shares:	The common shares of Parent, par value USD 0.001 per share (Exchange symbol "NBR").
Number of Options:	The number of Exchangeable Notes constituting Purchased Notes (as defined in the Purchase Agreement) in denominations of USD 1,000 principal amount issued by Counterparty on the closing date for the initial issuance of the Exchangeable Notes. For the avoidance of doubt, the Number of Options outstanding shall be reduced by each exercise of Options hereunder.
Option Entitlement:	As of any date, a number of Shares per Option equal to the Applicable Percentage of the "Exchange Rate" (as defined in the Indenture, but without regard to any adjustments to the Exchange Rate pursuant to Excluded Provisions).
Strike Price:	USD 25.1580
Cap Price:	USD 31.4475

Premium:	USD 17,500,000
Premium Payment Date:	Effective Date
Applicable Percentage:	50%
Exchange:	The New York Stock Exchange
Related Exchange(s):	All Exchanges

Excluded Provisions:	Section 10.03 and Section 10.04(n) of the Indenture.

Procedures for Exercise.

Exchange Date:	With respect to any exchange of an Exchangeable Note (other than any exchange of Exchangeable Notes with an Exchange Date occurring prior to the Free Exchangeability Date (any such exchange, an "**Early Exchange**"), to which the provisions of Section 9.(i)(i) of this Confirmation shall apply), the date on which the Holder (as such term is defined in the Indenture) of such Exchangeable Note satisfies all of the requirements for exchange thereof as set forth in Section 10.02(a) of the Indenture.
Free Exchangeability Date:	December 15, 2023
Expiration Time:	The Valuation Time
Expiration Date:	The "Maturity Date" (as defined in the Indenture).
Multiple Exercise:	Applicable, as described under "Automatic Exercise" below.
Automatic Exercise:	Notwithstanding Section 3.4 of the Equity Definitions, on each Exchange Date occurring on or after the Free Exchangeability Date, in respect of which an Exchange Notice that is effective as to Counterparty has been delivered by the relevant exchanging Holder, a number of Options equal to the number of Exchangeable Notes in denominations of USD 1,000 as to which such Exchange Date has occurred shall be deemed to be automatically exercised; *provided* that such Options shall be exercised or deemed exercised only if Counterparty has provided a Notice of Exercise to Dealer in accordance with "Notice of Exercise" below. Notwithstanding the foregoing, in no event shall the number of Options that are exercised or deemed exercised hereunder exceed the Number of Options.
Notice of Exercise:	Notwithstanding anything to the contrary in the Equity Definitions or under "Automatic Exercise" above, in order to exercise any Options relating to Exchangeable Notes with an Exchange Date occurring on or after the Free Exchangeability Date, Counterparty must notify Dealer in writing before 5:00 p.m. (New York City time) on the Scheduled Valid Day immediately preceding the Expiration Date specifying the number of such Options; *provided* that if the Relevant Settlement Method for such Options is (x) Net Share Settlement and the Specified Cash Amount (as defined below) is not USD 1,000, (y) Cash Settlement or (z) Combination Settlement, Dealer shall have received a separate notice (the "**Notice of Final Settlement Method**") in respect of all such Exchangeable Notes before 5:00 p.m. (New York City time) on the Free Exchangeability Date specifying (1) the Relevant

	Settlement Method for such Options, and (2) if the settlement method for the related Exchangeable Notes is not Settlement in Shares or Settlement in Cash (each as defined below), the fixed amount of cash per Exchangeable Note that Counterparty has elected to deliver to Holders (as such term is defined in the Indenture) of the related Exchangeable Notes (the "**Specified Cash Amount**"). Counterparty acknowledges its responsibilities under applicable securities laws, and in particular Section 9 and Section 10(b) of the Exchange Act (as defined below) and the rules and regulations thereunder, in respect of any election of a settlement method with respect to the Exchangeable Notes.
Valuation Time:	At the close of trading of the regular trading session on the Exchange; *provided* that if the

principal trading session is extended, the Calculation Agent shall determine the Valuation Time in its reasonable discretion.

Market Disruption Event: Section 6.3(a) of the Equity Definitions is hereby replaced in its entirety by the following:

"'Market Disruption Event' means, in respect of a Share, (i) a failure by the primary United States national or regional securities exchange or market on which the Shares are listed or admitted for trading to open for trading during its regular trading session or (ii) the occurrence or existence prior to 1:00 p.m. (New York City time) on any Scheduled Valid Day for the Shares for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant stock exchange or otherwise) in the Shares or in any options contracts or futures contracts relating to the Shares."

Settlement Terms.

Settlement Method: For any Option, Net Share Settlement; *provided* that if the Relevant Settlement Method set forth below for such Option is not Net Share Settlement, then the Settlement Method for such Option shall be such Relevant Settlement Method, but only if Counterparty shall have notified Dealer of the Relevant Settlement Method in the Notice of Final Settlement Method for such Option.

Relevant Settlement Method: In respect of any Option:

(i) if Counterparty has elected to settle its exchange obligations in respect of the related Exchangeable Note (A) entirely in Shares pursuant to Section 10.02(b)(i) of the Indenture (together with cash in lieu of fractional Shares) (such settlement method, "**Settlement in Shares**"), (B) in a combination of cash and Shares pursuant to Section 10.02(b)(iii) of the Indenture with a Specified Cash Amount less than USD 1,000 (such settlement method, "**Low Cash Combination**

Settlement") or (C) in a combination of cash and Shares pursuant to Section 10.02(b)(iii) of the Indenture with a Specified Cash Amount equal to USD 1,000, then, in each case, the Relevant Settlement Method for such Option shall be Net Share Settlement;

(ii) if Counterparty has elected to settle its exchange obligations in respect of the related Exchangeable Note in a combination of cash and Shares pursuant to Section 10.02(b)(iii) of the Indenture with a Specified Cash Amount greater than USD 1,000, then the Relevant Settlement Method for such Option shall be Combination Settlement; and

(iii) if Counterparty has elected to settle its exchange obligations in respect of the related Exchangeable Note entirely in cash pursuant to Section 10.02(b)(ii) of the Indenture (such settlement method, "**Settlement in Cash**"), then the Relevant Settlement Method for such Option shall be Cash Settlement.

Net Share Settlement: If Net Share Settlement is applicable to any Option exercised or deemed exercised hereunder, Dealer will deliver to Counterparty, on the relevant Settlement Date for each such Option, a number of Shares (the "**Net Share Settlement Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for each such Option, of (i) (a) the Daily Option Value for such Valid Day, *divided by* (b) the Relevant Price on such Valid Day, *divided by* (ii) the number of Valid Days in the Settlement Averaging Period; *provided* that in no event shall the Net Share Settlement Amount for any Option exceed a number of Shares equal to the Applicable Limit for such Option *divided by* the Applicable Limit Price on the Settlement Date for such Option.

Dealer will pay cash in lieu of delivering any fractional Shares to be delivered with respect to any Net Share Settlement Amount valued at the Relevant Price for the last Valid Day of the Settlement Averaging Period.

Combination Settlement: If Combination Settlement is applicable to any Option exercised or deemed exercised hereunder, Dealer will pay or deliver, as the case may be, to Counterparty, on the relevant Settlement Date for each such Option:

(i) cash (the "**Combination Settlement Cash Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for such Option, of (A) an amount (the "**Daily Combination Settlement Cash Amount**") equal to the lesser of (1) the product of

(x) the Applicable Percentage and (y) the Specified Cash Amount *minus* USD 1,000 and (2) the Daily Option Value, *divided by* (B) the number of Valid Days in the Settlement Averaging Period; *provided* that if the calculation in clause (A) above results in zero or a

negative number for any Valid Day, the Daily Combination Settlement Cash Amount for such Valid Day shall be deemed to be zero; and

(ii) Shares (the "**Combination Settlement Share Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for such Option, of a number of Shares for such Valid Day (the "**Daily Combination Settlement Share Amount**") equal to (A) (1) the Daily Option Value on such Valid Day *minus* the Daily Combination Settlement Cash Amount for such Valid Day, *divided by* (2) the Relevant Price on such Valid Day, *divided by* (B) the number of Valid Days in the Settlement Averaging Period; *provided* that if the calculation in sub-clause (A)(1) above results in zero or a negative number for any Valid Day, the Daily Combination Settlement Share Amount for such Valid Day shall be deemed to be zero;

provided that in no event shall the sum of (x) the Combination Settlement Cash Amount for any Option and (y) the Combination Settlement Share Amount for such Option *multiplied by* the Applicable Limit Price on the Settlement Date for such Option, exceed the Applicable Limit for such Option.

Dealer will pay cash in lieu of delivering any fractional Shares to be delivered with respect to any Combination Settlement Share Amount valued at the Relevant Price for the last Valid Day of the Settlement Averaging Period.

Cash Settlement: If Cash Settlement is applicable to any Option exercised or deemed exercised hereunder, in lieu of Section 8.1 of the Equity Definitions, Dealer will pay to Counterparty, on the relevant Settlement Date for each such Option, an amount of cash (the "**Cash Settlement Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for such Option, of (i) the Daily Option Value for such Valid Day, *divided by* (ii) the number of Valid Days in the Settlement Averaging Period.

Daily Option Value: For any Valid Day, an amount equal to (i) the Option Entitlement on such Valid Day, *multiplied by* (ii) (A) the lesser of the Relevant Price on such Valid Day and the Cap Price, *less* (B) the Strike Price on such Valid Day; *provided* that if the calculation contained in clause (ii) above results in a negative number, the Daily Option Value for such Valid Day shall be deemed to be zero. In no event will the Daily Option Value be less than zero.

Applicable Limit: For any Option, an amount of cash equal to the Applicable Percentage *multiplied by* the excess of (i) the aggregate of (A) the amount of cash, if any, paid to the Holder of the related Exchangeable Note upon exchange of such Exchangeable Note and (B) the number of Shares, if any, delivered to the Holder of the related

Exchangeable Note upon exchange of such Exchangeable Note *multiplied by* the Applicable Limit Price on the Settlement Date for such Option, over (ii) USD 1,000.

Applicable Limit Price: On any day, the opening price as displayed under the heading "Op" on Bloomberg page "NBR US <equity>" (or any successor thereto).

Valid Day: A day on which (i) there is no Market Disruption Event and (ii) trading in the Shares generally occurs on the Exchange or, if the Shares are not then listed on the Exchange, on the principal other United States national or regional securities exchange on which the Shares are then listed or, if the Shares are not then listed on a United States national or regional securities exchange, on the principal other market on which the Shares are then listed or admitted for trading. If the Shares are not so listed or admitted for trading, "Valid Day" means a Business Day.

Scheduled Valid Day: A day that is scheduled to be a Valid Day on the principal United States national or regional securities exchange or market on which the Shares are listed or admitted for trading. If the Shares are not so listed or admitted for trading, "Scheduled Valid Day" means a Business Day.

Business Day:	Any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.
Relevant Price:	On any Valid Day, the per Share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page "NBR US <equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the scheduled opening time of the Exchange to the Scheduled Closing Time of the Exchange on such Valid Day (or if such volume-weighted average price is unavailable at such time, then (x) if the Indenture provides an alternate method for determining the volume-weighted average price of Shares, the per Share volume-weighted average price as determined pursuant to such alternate method and (y) otherwise, the market value of one Share on such Valid Day, as determined by the Calculation Agent using, if practicable, a volume-weighted average price method). The Relevant Price will be determined without regard to after-hours trading or any other trading outside of the regular trading session trading hours.
Settlement Averaging Period:	For any Option and regardless of the Settlement Method applicable to such Option, the 20 consecutive Valid Days commencing on, and including, the 22nd Scheduled Valid Day immediately prior to the "Maturity Date" (as defined in the Indenture); *provided* that if the Notice of Final Settlement Method for such Option specifies that Settlement in Shares or Low Cash Combination Settlement applies to the related Exchangeable Note, the

	Settlement Averaging Period shall be the 40 consecutive Valid Days commencing on, and including, the 42nd Scheduled Valid Day immediately prior to the "Maturity Date" (as defined in the Indenture). For the avoidance of doubt, the provisions of Section 9(i)(i) of this Confirmation shall apply to any Early Exchange, and no Settlement Averaging Period will apply to such Early Exchange.
Settlement Date:	For any Option, the third Business Day immediately following the final Valid Day of the Settlement Averaging Period for such Option.
Settlement Currency:	USD
Other Applicable Provisions:	The provisions of Sections 9.1(c), 9.8, 9.9 and 9.11 of the Equity Definitions will be applicable, except that all references in such provisions to "Physically-settled" shall be read as references to "Share Settled". "Share Settled" in relation to any Option means that Net Share Settlement or Combination Settlement is applicable to that Option.
Representation and Agreement:	Notwithstanding anything to the contrary in the Equity Definitions (including, but not limited to, Section 9.11 thereof), the parties acknowledge that (i) any Shares delivered to Counterparty shall be, upon delivery, subject to restrictions and limitations arising from Counterparty's status as issuer of the Shares under applicable securities laws, (ii) Dealer may deliver any Shares required to be delivered hereunder in certificated form in lieu of delivery through the Clearance System and (iii) any Shares delivered to Counterparty may be "restricted securities" (as defined in Rule 144 under the Securities Act of 1933, as amended (the "**Securities Act**")).

3. <u>Additional Terms applicable to the Transaction</u>.

Adjustments applicable to the Transaction:

Potential Adjustment Events:	Notwithstanding Section 11.2(e) of the Equity Definitions, a "Potential Adjustment Event" means an occurrence of any event or condition, as set forth in any Dilution Adjustment Provision, that would result in an adjustment under the Indenture to the "Exchange Rate" or the composition of a "unit of Reference Property" or to any "Last Reported Sale Price," "VWAP," "Daily Exchange Value" or "Daily Settlement Amount" (each as defined in the Indenture). For the avoidance of doubt, Dealer shall not have any delivery or payment obligation hereunder, and no adjustment shall be made to the terms of the Transaction, on account of (x) any distribution of cash, property or securities by Counterparty to holders of the Exchangeable Notes (upon exchange or otherwise) or (y) any other transaction in which holders of the Exchangeable Notes are entitled to participate, in each case, in lieu of an adjustment under the Indenture of the type referred to in the immediately preceding sentence

(including, without limitation, pursuant to the third paragraph of Section 10.04(c) of the Indenture or the third paragraph of Section 10.04(d) of the Indenture).

Method of Adjustment: Calculation Agent Adjustment, which means that, notwithstanding Section 11.2(c) of the Equity Definitions, upon any Potential Adjustment Event, the Calculation Agent shall make:

(A) an adjustment corresponding to the adjustment to be made pursuant to the Indenture (or, if no Exchangeable Notes are outstanding, that would have been made if Exchangeable Notes were outstanding) to any one or more of the Strike Price, Number of Options and/or Option Entitlement; and

(B) an appropriate adjustment to the Cap Price to the extent any adjustment is made to the Strike Price pursuant to clause (A) above (for the avoidance of doubt, such adjustment to each of the Strike Price and the Cap Price to be made in good faith while consistently taking into account factors and other items relevant to such adjustment); provided that in no event shall the Strike Price be adjusted to be greater than the Cap Price.

Notwithstanding the foregoing and "Consequences of Merger Events / Tender Offers" below:

(i) if the Calculation Agent in good faith disagrees with any adjustment to the Exchangeable Notes that involves an exercise of discretion by Counterparty or its board of directors (including, without limitation, pursuant to Section 10.04(q) of the Indenture, Section 10.05 of the Indenture or any supplemental indenture entered into thereunder or in connection with any appropriate adjustment or the determination of the fair value of any securities, property, rights or other assets), then in each such case, the Calculation Agent will determine the adjustment to be made to any one or more of the Strike Price, Number of Options, Option Entitlement and any other variable relevant to the exercise, settlement or payment for the Transaction in a commercially reasonable manner; *provided* that, notwithstanding the foregoing, if any Potential Adjustment Event occurs during the Settlement Averaging Period but no adjustment was made to any Exchangeable Note under the Indenture because the relevant Holder (as such term is defined in the Indenture) was deemed to be a record owner of the underlying Shares on the related Exchange Date, then the Calculation Agent shall make the adjustments that would have been made under the Indenture in order to account for such Potential Adjustment Event;

(ii) in connection with any Potential Adjustment Event as a result of an event or condition set forth in Section 10.04(b) of the Indenture or Section 10.04(c) of the Indenture where, in either case, the period for determining "Y" (as such term is used in Section 10.04(b) of the Indenture) or "SP_0" (as such term is used in Section 10.04(c) of the Indenture), as the case may be, begins before Counterparty has publicly announced the event or condition giving rise to such Potential Adjustment Event, then the Calculation Agent shall have the right to adjust any variable relevant to the exercise, settlement or payment for the Transaction as appropriate to reflect the costs (including, but not limited to, hedging mismatches and market losses) and expenses incurred by Dealer in connection with its hedging activities as a result of such event or condition not having been publicly announced prior to the beginning of such period; *provided* that in no event shall the Cap Price after giving effect to any such adjustment be less than the Strike Price; and

(iii) if any Potential Adjustment Event is declared and (a) the event or condition giving rise to such Potential Adjustment Event is subsequently amended, modified, cancelled or abandoned, (b) the "Exchange Rate" (as defined in the Indenture) is otherwise not adjusted at the time or in the manner contemplated by the relevant Dilution Adjustment Provision based on such declaration or (c) the "Exchange Rate" (as defined in the Indenture) is adjusted as a result of such Potential Adjustment Event and subsequently re-adjusted (each of clauses (a), (b) and (c), a "**Potential Adjustment Event Change**") then, in each case, the Calculation Agent shall have the right to adjust any variable relevant to the exercise, settlement or payment for the Transaction as appropriate to reflect the costs (including, but not limited to, hedging mismatches and market losses) and expenses incurred by Dealer

in connection with its hedging activities as a result of such Potential Adjustment Event Change; *provided* that in no event shall the Cap Price after giving effect to any such adjustment be less than the Strike Price.

Dilution Adjustment Provisions:	Sections 10.04(a), (b), (c), (d) and (e) and Section 10.04(q) of the Indenture.

Extraordinary Events applicable to the Transaction:

Merger Events:	Applicable; *provided* that notwithstanding Section 12.1(b) of the Equity Definitions, a "Merger Event" means the

occurrence of any event or condition set forth in Section 10.05 of the Indenture.

Tender Offers:	Applicable; *provided* that notwithstanding Section 12.1(d) of the Equity Definitions, a "Tender Offer" means the occurrence of any event or condition set forth in Section 10.04 (e) of the Indenture.
Consequences of Merger Events/ Tender Offers:	Notwithstanding Section 12.2 and Section 12.3 of the Equity Definitions, upon the occurrence of a Merger Event or a Tender Offer, the Calculation Agent shall make

(A) a corresponding adjustment to any one or more of the nature of the Shares, Strike Price, Number of Options and Option Entitlement, in each case, to the extent an analogous adjustment would be made pursuant to the Indenture in connection with such Merger Event or Tender Offer, or to the definitions of "Exchange", "Relevant Price", and "Settlement Averaging Period" of this Confirmation and any other variable relevant to the exercise, settlement or payment for the Transaction, subject to the second paragraph under "Method of Adjustment"; and

(B) an appropriate adjustment to the Cap Price to the extent any adjustment is made to the Strike Price pursuant to clause (A) above (for the avoidance of doubt, such adjustment to each of the Strike Price and the Cap Price to be made in good faith while consistently taking into account factors and other items relevant to such adjustment); provided that in no event shall the Strike Price be adjusted to be greater than the Cap Price;

provided, however, that such adjustment shall be made without regard to any adjustment to the Exchange Rate pursuant to any Excluded Provision; *provided further* that the Calculation Agent acting in good faith and in a commercially reasonable manner may limit or alter any such adjustment referenced in this paragraph so that the fair value of the Transaction to Dealer (taking into account a commercially reasonable hedge position) is not adversely affected as a result of such adjustment.

Notwithstanding the foregoing, if, with respect to a Merger Event or a Tender Offer, (a) (i) the consideration for the Shares includes (or, at the option of a holder of Shares, may include) shares of an entity or person that is not a corporation or is not organized under the laws of the United States, any State thereof, the District of Columbia, Bermuda or the Cayman Islands or (ii) the Parent to the Transaction following such Merger Event or Tender Offer will not be a corporation, and (b) Dealer determines, based on advice of counsel, that such Merger Event or Tender Offer would result in a material adverse effect to Dealer, in connection with this Transaction, Cancellation

and Payment (Calculation Agent Determination) may apply at Dealer's sole election; *provided further* that, for the avoidance of doubt, adjustments shall be made pursuant to the provisions set forth above regardless of whether any Merger Event or Tender Offer gives rise to an Early Exchange.

Consequences of Announcement Events:	Modified Calculation Agent Adjustment as set forth in Section 12.3(d) of the Equity Definitions; *provided* that, in respect of an Announcement Event, (v) references to "Tender Offer" shall be replaced by references to "Announcement Event" and references to "Tender Offer Date" shall be replaced by references to "date of such Announcement Event", (w) the word "shall" in the second line shall be replaced with "may", (x) the phrase "exercise, settlement, payment or any other terms of the Transaction (including, without limitation, the spread)" shall be replaced by the phrase "Cap Price (provided that in no event shall the Cap Price be less than the Strike Price)", (y) the fifth and sixth lines shall be deleted in their

entirety and replaced with the words "effect on the embedded warrants in favor of Dealer in such Transaction (as represented by the Cap Price) of such Announcement Event solely to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or such embedded warrants", and (z) for the avoidance of doubt, the Calculation Agent may adjust the terms of the Transaction for a single Announcement Event on one or more occasions on or after the date of such Announcement Event up to, and including, the Expiration Date, any Early Termination Date and/or any other date of cancellation, it being understood that any adjustment in respect of an Announcement Event shall take into account any earlier adjustment relating to the same Announcement Event. An Announcement Event shall be an "Extraordinary Event" for purposes of the Equity Definitions, to which Article 12 of the Equity Definitions is applicable.

Announcement Event: (i) The public announcement by any entity of (x) any transaction or event that, if completed, would constitute a Merger Event or Tender Offer, (y) any potential acquisition by Issuer and/or its subsidiaries where the aggregate consideration exceeds 25% of the market capitalization of Issuer as of the date of such announcement (an "**Acquisition Transaction**") or (z) the intention to enter into a Merger Event or Tender Offer or an Acquisition Transaction, (ii) the public announcement by Issuer of an intention to solicit or enter into, or to explore strategic alternatives or other similar undertaking that may include, a Merger Event or Tender Offer or an Acquisition Transaction or (iii) any subsequent public announcement by any entity of a change to a transaction or intention that is the subject of an announcement of the type described in clause (i) or (ii) of this sentence (including, without limitation, a new announcement,

whether or not by the same party, relating to such a transaction or intention or the announcement of a withdrawal from, or the abandonment or discontinuation of, such a transaction or intention), as determined by the Calculation Agent. For the avoidance of doubt, the occurrence of an Announcement Event with respect to any transaction or intention shall not preclude the occurrence of a later Announcement Event with respect to such transaction or intention. For purposes of this definition of "Announcement Event," (A) "Merger Event" shall mean such term as defined under Section 12.1(b) of the Equity Definitions (but, for the avoidance of doubt, the remainder of the definition of "Merger Event" in Section 12.1(b) of the Equity Definitions following the definition of "Reverse Merger" therein shall be disregarded) and (B) "Tender Offer" shall mean such term as defined under Section 12.1(d) of the Equity Definitions.

Nationalization, Insolvency or Delisting: Cancellation and Payment (Calculation Agent Determination); *provided* that, in addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors), such exchange or quotation system shall thereafter be deemed to be the Exchange.

Additional Disruption Events:

Change in Law: Applicable; *provided* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i) replacing the word "Shares" with the phrase "Hedge Positions" in clause (X) thereof; (ii) inserting the parenthetical "(including, for the avoidance of doubt and without limitation, adoption or promulgation of new regulations authorized or mandated by existing statute)" at the end of clause (A) thereof; (iii) replacing the phrase "the interpretation" in the third line thereof with the phrase "or announcement of the formal or informal interpretation"; and (iv) immediately following the word "Transaction" in clause (X) thereof, adding the phrase "in the manner contemplated by the Hedging Party on the Trade Date".

Failure to Deliver: Applicable

Hedging Disruption: Applicable; *provided* that:

(i) Section 12.9(a)(v) of the Equity Definitions is hereby amended by (a) inserting the following words at the end of clause (A) thereof: "in the

manner contemplated by the Hedging Party on the Trade Date" and (b) inserting the following at the end of such Section:

"*provided* that any such inability that occurs solely due to the deterioration of the creditworthiness of the Hedging Party shall not be deemed a Hedging Disruption. For the avoidance of doubt, the term "equity price risk" shall be deemed to include, but shall not be limited to, stock price and volatility risk. And, for the further avoidance of doubt, any such transactions or assets referred to in phrases (A) or (B) above must be available on commercially reasonable pricing terms."; and

(ii) Section 12.9(b)(iii) of the Equity Definitions is hereby amended by inserting in the third line thereof, after the words "to terminate the Transaction", the words "or a portion of the Transaction affected by such Hedging Disruption".

Increased Cost of Hedging: Applicable

Hedging Party: For all applicable Additional Disruption Events, Dealer; *provided* that all calculations and determinations by the Hedging Party shall be made in good faith and in a commercially reasonable manner.

Determining Party: For all applicable Extraordinary Events, Dealer; *provided* that all calculations and determinations by the Determining Party shall be made in good faith and in a commercially reasonable manner.

Non-Reliance: Applicable

Agreements and Acknowledgments

Regarding Hedging Activities: Applicable

Additional Acknowledgments: Applicable

4. Calculation Agent. Dealer; *provided* that, following the occurrence and during the continuance of an Event of Default with respect to which Dealer is the sole Defaulting Party, and if Dealer fails to perform its duties as the Calculation Agent hereunder, Counterparty shall have the right to designate a nationally recognized independent equity derivatives dealer to replace Dealer as the Calculation Agent, and the parties shall work in good faith to execute any appropriate documentation required by such replacement Calculation Agent. All calculations, adjustments, specifications, choices and determinations by the Calculation Agent shall be made in good faith and in a commercially reasonable manner.

In the case of any calculation, adjustment or determination by the Determining Party or the Calculation Agent, as the case may be, following any written request from Counterparty, the Determining Party or the

Calculation Agent, as the case may be, shall promptly provide to Counterparty a written explanation describing in reasonable detail the basis for such calculation, adjustment or determination (including any quotation, market data or information from internal or external sources used in making such calculation, adjustment or determination), but without disclosing any proprietary or confidential models used by it for such calculation, adjustment or determination or any information that is subject to an obligation not to disclose such information.

5. Account Details.

(a) Account for payments to Counterparty:

Bank:	Citibank NYDDAs
Branch:	Citibank New York
SWIFT:	CITIUS33
ABA:	021000089
Account Name:	Nabors Industries, Inc.
Account Number:	30883326
Address:	111 WALL STREET NEW YORK, NEW YORK 10043

USA

Account for delivery of Shares to Counterparty:

Bank:	Morgan Stanley
DTC:	0015 — Morgan Stanley
Account Name:	Nabors Industries, Inc.
Account Number:	798-133229

(b) Account for payments to Dealer:

Bank:	Citibank, New York
ABA#:	02100089
BIC:	CITIUS33
A/C:	30631049
Ref:	NY Swap Operations

Account for delivery of Shares from Dealer:

DTC:	0418
A/C:	002-87411-1-4

6. Offices.

(a) The Office of Counterparty for the Transaction is: Inapplicable, Counterparty is not a Multibranch Party.

(b) The Office of Dealer for the Transaction is: New York.

Citigroup Global Markets Inc.
390 Greenwich Street
New York, NY 10013

7. Notices.

(a) Address for notices or communications to Counterparty and Parent:

Nabors Industries, Inc.
515 W. Greens Road
Suite 1200, Houston, TX 776067

Attention:	General Counsel
Telephone No.:	(281) 874-0035
Email:	general.counsel@nabors.com

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

Attention:	Corporate Secretary
Telephone No.:	(441) 292-1510
Email:	mark.andrews@nabors.com

(b) Address for notices or communications to Dealer:

Citigroup Global Markets Inc.
390 Greenwich Street
New York, NY 10013

Attention:	Adam Muchnick
Telephone No.:	212 723 3850
Email:	adam.muchnick@citi.com

With a copy to:

Attention:	Dustin Sheppard
Telephone No:	212 723 5770
Email:	dustin.c.sheppard@citi.com

8. Representations and Warranties of Counterparty and Parent.

Each of Counterparty and Parent hereby represents and warrants to Dealer on the date hereof and on and as of the Premium Payment Date that:

(a) Each of Counterparty and Parent has all necessary corporate power and authority to execute, deliver and perform its obligations in respect of the Transaction; such execution, delivery and performance have been duly authorized by all necessary corporate action on such party's part; and this Confirmation has been duly and validly executed and delivered by each of Counterparty and Parent and constitutes its valid and binding obligation, enforceable against such party in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity) and except that rights to indemnification and contribution hereunder may be limited by federal or state securities laws or public policy relating thereto.

(b) Neither the execution and delivery of this Confirmation nor the incurrence or performance of obligations of either of Counterparty or Parent hereunder will (i) conflict with or result in a breach of the certificate of incorporation or by-laws (or any equivalent documents) of Counterparty or Parent, or (ii) contravene any applicable law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any agreement or instrument to which Parent

or any of its subsidiaries is a party or by which Parent or any of its subsidiaries is bound or to which Parent or any of its subsidiaries is subject, or constitute a default under, or result in the creation of any lien under, any such agreement or instrument except, in the case of this clause (ii), for any such conflict, breach, default or lien that would not, individually or in the aggregate, have a material adverse effect on Counterparty or Parent and their subsidiaries, taken as a whole.

(c) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required in connection with the execution, delivery or performance by Counterparty or Parent of this Confirmation, except such as have been obtained or made and such as may be required under the Securities Act or state securities laws or such that may be required by the NYSE.

(d) Neither Counterparty nor Parent is and, after consummation of the transactions contemplated hereby, neither Counterparty nor Parent will be required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(e) Each of Counterparty and Parent is an "eligible contract participant" (as such term is defined in Section 1a(18) of the Commodity Exchange Act, as amended, other than a person that is an eligible contract participant under Section 1a(18)(C) of the Commodity Exchange Act).

(f) None of Counterparty, Parent nor their respective affiliates is, on the date hereof, in possession of any material non-public information with respect to Counterparty, Parent or the Shares.

(g) Each of Counterparty's and Parent's filings under the Exchange Act or other applicable securities laws that are required to be filed have been filed and, as of the respective dates thereof and as of the Trade Date, when taken together and considered as a whole, there is no misstatement of material fact contained therein or omission of a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(h) Assuming compliance with the representation and warranties by the Initial Purchasers and each subsequent purchaser, no state or local law, rule, regulation or regulatory order applicable to the Shares would give rise to any reporting, consent, registration or other requirement (including without limitation a requirement to obtain prior approval from any person or entity) as a result of Dealer or its affiliates owning or holding (however defined) Shares.

(i) Each of Counterparty and Parent understands that no obligations of Dealer to Counterparty or Parent, as applicable, hereunder will be entitled to the benefit of deposit insurance and that such obligations will not be guaranteed by any Affiliate of Dealer or any governmental agency.

(j) EACH OF COUNTERPARTY AND PARENT UNDERSTANDS THAT THE TRANSACTION IS SUBJECT TO COMPLEX RISKS THAT MAY ARISE WITHOUT WARNING AND MAY AT TIMES BE VOLATILE AND THAT LOSSES MAY OCCUR QUICKLY AND IN UNANTICIPATED MAGNITUDE AND IS WILLING TO ACCEPT SUCH TERMS AND CONDITIONS AND ASSUME (FINANCIALLY AND OTHERWISE) SUCH RISKS.

(k) Each of Counterparty and Parent (A) is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities; (B) will exercise independent judgment in evaluating the recommendations of any broker-dealer or its associated persons, unless it has otherwise notified the broker-dealer in writing; and (C) has total assets of at least USD 50 million.

(l) Neither Counterparty nor Parent is as of the Trade Date, and neither Counterparty nor Parent shall be after giving effect to the transactions contemplated hereby, "insolvent" (as such term is defined in Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the "**Bankruptcy Code**")). Each of Counterparty and Parent would be able to purchase a number of

Shares equal to the Number of Shares in compliance with the laws of the jurisdiction of Counterparty's incorporation or organization.

(m) Each of Counterparty and Parent has (and shall at all times during the Transaction have) the capacity and authority to invest directly in the Shares underlying the Transaction and has not entered into the Transaction with the intent to avoid any regulatory filings.

(n) Each of Counterparty's and Parent's financial condition is such that it has no need for liquidity with respect to its investment in the Transaction and no need to dispose of any portion thereof to satisfy any existing or contemplated undertaking or indebtedness.

(o) Each of Counterparty's and Parent's investments in and liabilities in respect of the Transaction, which it understands are not readily marketable, are not disproportionate to its net worth, and each of Counterparty and Parent is able to bear any loss in connection with the Transaction, including the loss of its entire investment in the Transaction.

(p) Each of Counterparty and Parent understands, agrees and acknowledges that Dealer has no obligation or intention to register the Transaction under the Securities Act, any state securities law or other applicable federal securities law.

(q) Without limiting the generality of Section 3(a)(iii) of the Agreement, the Transaction will not violate Rule 13e-1 or Rule 13e-4 under the Exchange Act.

9. Other Provisions.

(a) *Opinions*. Counterparty and Parent shall deliver to Dealer one or more opinions of counsel, dated as of the Effective Date, with respect to the matters set forth in Sections 3(a)(i), (ii) and, only with respect to documents and agreements filed as Exhibits to Counterparty's Form 10-K, (iii) of the Agreement; *provided* that any such opinion(s) of counsel may contain customary exceptions and qualifications, including, without limitation, exceptions and qualifications relating to indemnification provisions. Delivery of such opinion(s) to Dealer shall be a condition precedent for the purpose of Section 2(a)(iii) of the Agreement with respect to each obligation of Dealer under Section 2(a)(i) of the Agreement.

(b) *Repurchase Notices*. Parent shall, on any day on which Counterparty and/or Parent effects any repurchase of Shares, promptly give Dealer a written notice of such repurchase (a "**Repurchase Notice**") on such day if following such repurchase, the number of outstanding Shares as determined on such day is (i) less than 252.6 million (in the case of the first such notice) or (ii) thereafter more than 227.5 million less than the number of Shares included in the immediately preceding Repurchase Notice. Counterparty and Parent jointly and severally agree to indemnify and hold harmless Dealer and its affiliates and their respective officers, directors, employees, affiliates, advisors, agents and controlling persons (each, an "**Indemnified Person**") from and against any and all losses (including losses relating to Dealer's hedging activities as a consequence of becoming, or of the risk of becoming, a Section 16 "insider", including without limitation, any forbearance from hedging activities or cessation of hedging activities and any losses in connection therewith with respect to the Transaction), claims, damages, judgments, liabilities and reasonable expenses (including reasonable attorney's fees), joint or several, which an Indemnified Person may become subject to, as a result of Parent's failure to provide Dealer with a Repurchase Notice on the day and in the manner specified in this paragraph, and to reimburse, within 30 days, upon written request, each of such Indemnified Persons for any reasonable legal or other expenses incurred in connection with investigating, preparing for, providing testimony or other evidence in connection with or defending any of the foregoing. If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against the Indemnified Person as a result of Parent's failure to provide Dealer with a Repurchase Notice in accordance with this paragraph, such Indemnified Person shall promptly notify Parent in writing, and Counterparty and/or Parent, upon request of the Indemnified Person, shall retain counsel reasonably satisfactory to the Indemnified Person to represent the Indemnified Person and any others Counterparty and/or Parent may designate in such proceeding and shall pay the reasonable fees and expenses of such counsel related to such proceeding. Neither Counterparty nor Parent shall be liable for any settlement of any proceeding contemplated by this paragraph that

is effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, Counterparty and Parent jointly and severally agree to indemnify any Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Neither Counterparty nor Parent shall, without the prior written consent of the Indemnified Person (such consent not to be unreasonably withheld, delayed or conditioned), effect any settlement of any pending or threatened proceeding contemplated by this paragraph that is 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 on terms reasonably satisfactory to such Indemnified Person. If the indemnification provided for in this paragraph is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then Counterparty and Parent hereunder, 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. The remedies

provided for in this paragraph (b) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity. The indemnity and contribution agreements contained in this paragraph shall remain operative and in full force and effect regardless of the termination of the Transaction.

(c) *Regulation M*. Each of Parent and its subsidiaries is not on the Trade Date engaged in a distribution, as such term is used in Regulation M under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), of any securities of Counterparty, other than a distribution meeting the requirements of the exception set forth in Rules 101(b)(10) and 102(b)(7) of Regulation M. Parent shall not, and shall cause its subsidiaries not to, until the second Scheduled Trading Day immediately following the Effective Date, engage in any such distribution.

(d) *No Manipulation*. Neither Counterparty nor Parent is entering into the Transaction to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares) or otherwise in violation of the Exchange Act.

(e) *Transfer or Assignment*.

(i) Either of Counterparty and Parent shall have the right to transfer or assign its rights and obligations hereunder with respect to all, but not less than all, of the Options hereunder (such Options, the "**Transfer Options**"); *provided* that such transfer or assignment shall be subject to reasonable conditions that Dealer may impose, including but not limited, to the following conditions:

(A) With respect to any Transfer Options, neither Counterparty nor Parent shall be released from its notice and indemnification obligations pursuant to Section 9.(b) or any obligations under Section 9.(n) or 9.(s) of this Confirmation;

(B) Any Transfer Options shall only be transferred or assigned to a third party that is a United States person (as defined in the Internal Revenue Code of 1986, as amended);

(C) Such transfer or assignment shall be effected on terms, including any reasonable undertakings by such third party (including, but not limited to, an undertaking with respect to compliance with applicable securities laws in a manner that, in the reasonable judgment of Dealer, will not expose Dealer to material risks under applicable securities laws) and execution of any reasonable and necessary documentation and delivery of reasonable and customary legal opinions with respect to securities laws and other matters by such third party and Counterparty or Parent, as are reasonably requested and reasonably satisfactory to Dealer;

(D) Dealer will not, as a result of such transfer and assignment and after giving effect thereto, be required to pay the transferee on any payment date an amount under Section 2(d)(i)(4) of the Agreement greater than an amount that Dealer would have been required to pay to Counterparty or Parent in the absence of such transfer and assignment;

(E) An Event of Default, Potential Event of Default or Termination Event with respect to Counterparty will not occur as a result of such transfer and assignment;

(F) Without limiting the generality of clause (B), Counterparty and Parent shall cause the transferee to make such Payee Tax Representations and to provide such tax documentation as may be reasonably requested by Dealer to permit Dealer to determine that results described in clauses (D) and (E) will not occur upon or after such transfer and assignment; and

(G) Each of Counterparty and Parent shall be responsible for all reasonable costs and expenses, including reasonable counsel fees, incurred by Dealer in connection with such transfer or assignment.

(ii) Dealer may (A) without Counterparty's or Parent's consent, transfer or assign all or any part of its rights or obligations under the Transaction to any affiliate of Dealer (1) that has a long-term issuer rating that is equal to or better than Dealer's credit rating at the time of such transfer or assignment, or (2) whose obligations hereunder will be guaranteed, pursuant to the terms of a customary guarantee in a form used by Dealer generally for similar transactions, by Dealer, or (B) in consultation with Counterparty and/or Parent, and with Counterparty's and/or Parent's prior written consent (which consent not to be delayed or unreasonably withheld), transfer or assign all or any part of its rights or obligations under the Transaction to any other third party with a long-term issuer rating equal to or better than the lesser of (1) the credit rating of Dealer at the time of the transfer and (2) A- by Standard and Poor's Rating Group, Inc. or its successor ("**S&P**"), or A3 by Moody's Investor Service, Inc. ("**Moody's**") or, if either S&P or Moody's ceases to rate such debt, at least an equivalent rating or better by a substitute rating agency mutually agreed by Counterparty, Parent and Dealer; *provided* that:

(X) any transfer or assignment described in clause (A) above shall be made to a transferee or assignee that is a "dealer in securities" within the meaning of Section 475(c)(1) of the Code;

(Y) Counterparty will not be required (or, as determined by Dealer in good faith, reasonably expected, as of the date of such transfer or assignment, to pay the transferee or assignee on any payment date an amount under Section 2 (d)(i)(4) of the Agreement greater than the amount, if any, that Counterparty would have been required to pay Dealer in the absence of such transfer or assignment and

(Z) Dealer shall cause the transferee or assignee to make such Payee Tax Representations and to provide such tax documentation as may be reasonably requested by Counterparty to permit Counterparty to determine that the results described in clause (Y) of this proviso will not occur upon or after such transfer and assignment.

If at any time at which (A) the Section 16 Percentage exceeds 7.5%, (B) the Option Equity Percentage exceeds 14.5%, or (C) the Share Amount exceeds the Applicable Share Limit (if any applies) (any such condition described in clauses (A), (B) or (C), an "**Excess Ownership Position**"), Dealer is unable after using its commercially reasonable efforts to effect a transfer or assignment of Options to a third party on pricing terms reasonably acceptable to Dealer and within a time period reasonably acceptable to Dealer such that no Excess Ownership Position exists, then Dealer may designate any Exchange

Business Day as an Early Termination Date with respect to a portion of the Transaction (the "**Terminated Portion**"), such that following such partial termination no Excess Ownership Position exists. In the event that Dealer so designates an Early Termination Date with respect to a portion of the Transaction, a payment shall be made pursuant to Section 6 of the Agreement as if (1) an Early Termination Date had been designated in respect of a Transaction having terms identical to the Transaction and a Number of Options equal to the number of Options underlying the Terminated Portion, (2) Counterparty were the sole Affected Party with respect to such partial termination (except if such an Excess Ownership Position was caused or increased by Dealer's willful misconduct or gross negligence, in which case Dealer shall be deemed to be the sole Affected Party with respect to such partial termination) and (3) the Terminated Portion were the sole Affected Transaction (and, for the avoidance of doubt, the provisions of Section 9.(l) shall apply to any amount that is payable by Dealer to Counterparty pursuant to this sentence as if Counterparty was not the Affected Party). Dealer shall notify Counterparty of an Excess Ownership Position with respect to which it intends to seek a transfer or assignment as soon as reasonably practicable after becoming aware of such an Excess Ownership Position. The "**Section 16 Percentage**" as of any day is the fraction, expressed as a percentage, (A) the numerator of which is the number of Shares that Dealer and any of its affiliates or any other person subject to aggregation with Dealer for purposes of the "beneficial ownership" test under Section 13 of the Exchange Act, or any "group" (within the meaning of Section 13 of the Exchange Act) of which Dealer is or may be deemed to be a part beneficially owns (within the meaning of Section 13 of the Exchange Act) (collectively, the "**Dealer Group**"), without duplication, on such day (or, to the extent that for any reason the equivalent calculation under Section 16 of the Exchange Act and the rules and regulations thereunder results in a higher number, such higher number) and (B) the denominator of which is the number of Shares outstanding on such day. The "**Option Equity Percentage**" as of any day is the fraction, expressed as a percentage, (A) the numerator of which is the sum of (1) the product of the Number of Options and the Option Entitlement and (2) the aggregate number of Shares underlying any other call option transaction sold by Dealer to Counterparty, and (B) the denominator of which is the number of Shares outstanding. The "**Share Amount**" as of any day is the number of Shares that Dealer, Dealer Group and any person whose ownership position would be aggregated with that of Dealer (Dealer or any such person, a "**Dealer Person**") under any law, rule, regulation, regulatory order or organizational documents or contracts of Counterparty that are, in each case, applicable to ownership of Shares ("**Applicable Restrictions**"), owns, beneficially owns, constructively owns, controls, holds the power to vote or otherwise meets a relevant definition of ownership under any Applicable Restriction, as determined by Dealer in its reasonable discretion. The "**Applicable Share Limit**" means a number of Shares equal to (A) the minimum number of Shares that could give rise to reporting or registration obligations or other requirements (including obtaining prior approval from any person or entity) of a Dealer Person, or could result in an adverse effect on a Dealer Person, under any Applicable Restriction, as determined by Dealer in its reasonable discretion, *minus* (B) 1% of the number of Shares outstanding. Dealer represents and warrants to Parent and Counterparty that, as of the Effective Date, the Section 16 Percentage is not greater than 7%, the Option Equity Percentage is not greater than 7%, and the Share Amount is not greater than 23,351,841.

(iii) Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities, or make or receive any payment in cash, to or from Counterparty and/or Parent, Dealer shall have the right to assign any or all of its rights and obligations under the Transaction to deliver or accept delivery of cash, Shares or Share Termination Delivery Units to any of its Affiliates; *provided* that Counterparty or Parent, as applicable, shall have recourse to Dealer in the event of failure by the assignee to perform any of such obligations hereunder. Notwithstanding the foregoing, the recourse to Dealer shall be limited to recoupment of Counterparty's or Parent's monetary damages and each of Counterparty

and Parent hereby waives any right to seek specific performance by Dealer of its obligations hereunder. Such failure after any applicable grace period shall be deemed to be an Additional Termination Event and, with respect to such

Additional Termination Event, (A) Dealer shall be deemed to be the sole Affected Party, (B) the Transaction shall be the sole Affected Transaction and (C) Counterparty or Parent, as applicable, shall be the party entitled to designate an Early Termination Date pursuant to Section 6(b) of the Agreement.

(f) *Staggered Settlement*. If upon advice of counsel with respect to applicable legal and regulatory requirements, including any requirements relating to Dealer's hedging activities hereunder, Dealer reasonably determines that it would not be practicable or advisable to deliver, or to acquire Shares to deliver, any or all of the Shares to be delivered by Dealer on any Settlement Date for the Transaction, Dealer may, by notice to Counterparty on or prior to any Settlement Date (a "**Nominal Settlement Date**"), elect to deliver the Shares on two or more dates (each, a "**Staggered Settlement Date**"), but only to the extent commercially reasonably determined by Dealer in good faith, to avoid an Excess Ownership Position as follows:

(i) in such notice, Dealer will specify to Counterparty the related Staggered Settlement Dates (the first of which will be such Nominal Settlement Date and the last of which will be no later than the twentieth (20^{th}) Exchange Business Day following such Nominal Settlement Date) and the number of Shares that it will deliver on each Staggered Settlement Date;

(ii) the aggregate number of Shares that Dealer will deliver to Counterparty hereunder on all such Staggered Settlement Dates will equal the number of Shares that Dealer would otherwise be required to deliver on such Nominal Settlement Date; and

(iii) if the Net Share Settlement terms or the Combination Settlement terms set forth above were to apply on the Nominal Settlement Date, then the Net Share Settlement terms or the Combination Settlement terms, as the case may be, will apply on each Staggered Settlement Date, except that the Shares otherwise deliverable on such Nominal Settlement Date will be allocated among such Staggered Settlement Dates as specified by Dealer in the notice referred to in clause (i) above.

(g) *Jurisdiction*. THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES COURT FOR THE SOUTHERN DISTRICT OF NEW YORK IN CONNECTION WITH ALL MATTERS RELATING HERETO AND WAIVE ANY OBJECTION TO THE LAYING OF VENUE IN, AND ANY CLAIM OF INCONVENIENT FORUM WITH RESPECT TO, THESE COURTS.

(h) *Dividends*. If at any time during the period from and including the Effective Date, to but excluding the Expiration Date, an ex-dividend date for a regular quarterly cash dividend occurs with respect to the Shares (an "**Ex-Dividend Date**"), and that dividend differs from the Regular Dividend on a per Share basis, then the Calculation Agent will adjust the Cap Price to preserve the fair value of the Options to Dealer after taking into account such dividend or lack thereof. "**Regular Dividend**" shall mean USD 0.06 per Share per quarterly dividend period of Counterparty. Upon any adjustment to the "Initial Dividend Threshold" (as defined in the Indenture) for the Exchangeable Notes pursuant to the Indenture, the Calculation Agent will make a corresponding adjustment to the Regular Dividend for the Transaction.

(i) *Additional Termination Events*.

(i) Notwithstanding anything to the contrary in this Confirmation, upon any Early Exchange in respect of which an Exchange Notice that is effective as to Counterparty has been delivered by the relevant exchanging Holder:

(A) Counterparty shall, within five Scheduled Trading Days of the Exchange Date for such Early Exchange, provide written notice (an "**Early Exchange Notice**") to Dealer specifying the number of Exchangeable Notes surrendered for exchange on such Exchange Date (such Exchangeable Notes, the "**Affected Exchangeable Notes**"), and the giving of such Early Exchange Notice shall constitute an Additional Termination Event as provided in this clause (i);

(B) upon receipt of any such Early Exchange Notice, Dealer shall designate an Exchange Business Day as an Early Termination Date (which Exchange Business Day shall be no earlier than one Scheduled Trading Day following the Exchange Date for such Early Exchange) with respect to the portion of the Transaction corresponding to a number of Options (the "**Affected Number of Options**") equal to the lesser of (x) the number of Affected Exchangeable Notes and (y) the Number of Options as of the Exchange Date for such Early Exchange;

(C) any payment hereunder with respect to such termination shall be calculated pursuant to Section 6 of the Agreement as if (x) an Early Termination Date had been designated in respect of a Transaction having terms identical to the Transaction and a Number of Options equal to the Affected Number of Options, (y) Counterparty were the sole Affected Party with respect to such Additional Termination Event and (z) the terminated portion of the Transaction were the sole Affected Transaction; *provided* that the amount payable with respect to such termination shall not be greater than (1) the Applicable Percentage *multiplied by* (2) the Affected Number of Options, *multiplied by* (3) (x) the sum of (i) the amount of cash paid (if any) and (ii) the number of Shares delivered (if any) to the Holder (as such term is defined in the Indenture) of an Affected Exchangeable Note upon exchange of such Affected Exchangeable Note, *multiplied by* the fair market value of

one Share on settlement *minus* (y) USD 1,000;

(D) for the avoidance of doubt, in determining the amount payable in respect of such Affected Transaction pursuant to Section 6 of the Agreement, the Calculation Agent shall assume that (x) the relevant Early Exchange and any exchanges, adjustments, agreements, payments, deliveries or acquisitions by or on behalf of Counterparty leading thereto had not occurred, (y) no adjustments to the Exchange Rate have occurred pursuant to any Excluded Provision and (z) the corresponding Exchangeable Notes remain outstanding; and

(E) the Transaction shall remain in full force and effect, except that, as of the Exchange Date for such Early Exchange, the Number of Options shall be reduced by the Affected Number of Options.

(ii) Notwithstanding anything to the contrary in this Confirmation if an event of default occurs under the terms of the Exchangeable Notes as set forth in Section 6.01 of the Indenture and such event of default results in the Exchangeable Notes becoming or being declared due and payable pursuant to the Indenture, then such event of default shall constitute an Additional Termination Event applicable to the Transaction and, with respect to such Additional Termination Event, (A) Counterparty shall be deemed to be the sole Affected Party, (B) the Transaction shall be the sole Affected Transaction and (C) Dealer shall be the party entitled to designate an Early Termination Date pursuant to Section 6(b) of the Agreement.

(iii) Notwithstanding anything to the contrary in this Confirmation, the occurrence of an Amendment Event shall constitute an Additional Termination Event applicable to the Transaction and, with respect to such Additional Termination Event, (A) Counterparty shall be deemed to be the sole Affected Party, (B) the Transaction shall be the sole

Affected Transaction and (C) Dealer shall be the party entitled to designate an Early Termination Date pursuant to Section 6(b) of the Agreement. "**Amendment Event**" means that Counterparty and/or Parent amends, modifies, supplements, waives or obtains a waiver in respect of any term of the Indenture or the Exchangeable Notes governing the principal amount, coupon, maturity, repurchase obligation of Counterparty and/or Parent, any term relating to exchange of the Exchangeable Notes (including changes to the exchange rate, exchange rate adjustment provisions, exchange settlement dates or exchange conditions), or any term that would require consent of the holders of not less than 100% of the principal amount of the Exchangeable Notes to amend (other than, in each case, any amendment or supplement (x) pursuant to Section 9.01(m) of the Indenture that, as determined by the Calculation Agent, conforms the Indenture to the description of Exchangeable Notes in the Offering Memorandum or (y) pursuant to Section 10.05 of the Indenture), in each case, without the consent of Dealer.

(iv) Promptly (but in any event within five Scheduled Trading Days) following any Repurchase Event (as defined below), Counterparty may notify Dealer of such Repurchase Event and the aggregate principal amount of Exchangeable Notes subject to such Repurchase Event (any such notice, an "**Exchangeable Notes Repurchase Notice**"); provided that any such Exchangeable Notes Repurchase Notice shall contain an acknowledgment by Counterparty and Parent of their respective responsibilities under applicable securities laws, and in particular Section 9 and Section 10(b) of the Exchange Act and the rules and regulations thereunder, in respect of such Repurchase Event and the delivery of such Exchangeable Notes Repurchase Notice.

The receipt by Dealer from Counterparty of any Exchangeable Notes Repurchase Notice shall constitute an Additional Termination Event as provided in this Section 9(i)(iv).

Upon receipt of any such Exchangeable Notes Repurchase Notice, Dealer shall designate an Exchange Business Day following receipt of such Exchangeable Notes Repurchase Notice (which Exchange Business Day shall be on or as promptly as reasonably practicable after the related settlement date for the relevant Repurchase Event) as an Early Termination Date with respect to the portion of the Transaction corresponding to a number of Options (the "**Repurchase Options**") equal to the lesser of

(A) the aggregate principal amount of such Exchangeable Notes specified in such Exchangeable Notes Repurchase Notice, divided by USD 1,000; and

(B) the Number of Options as of the date Dealer designates such Early Termination Date;

and, as of such date, the Number of Options shall be reduced by the number of Repurchase Options. Any payment hereunder with respect to such termination (the "Repurchase Unwind Payment") shall be calculated pursuant to Section 6 of the Agreement as if

(1) an Early Termination Date had been designated in respect of a Transaction having terms identical to the Transaction and a Number of Options equal to the number of Repurchase Options;

(2) Counterparty were the sole Affected Party with respect to such Additional Termination Event; and

(3) the terminated portion of the Transaction were the sole Affected Transaction (and, for the avoidance of doubt,

the provisions of Section 9(l) shall apply to any amount that is payable by Dealer to Counterparty pursuant to this Section 9(i)(iv) as if Counterparty was not the Affected Party).

"Repurchase Event" means that (i) any Exchangeable Notes are repurchased (whether pursuant to Section 3.01 of the Indenture or otherwise) by Parent or Counterparty or any of their respective subsidiaries, (ii) any Exchangeable Notes are delivered to Parent or Counterparty in exchange for delivery of any property or assets of Parent or Counterparty or any of their respective subsidiaries (howsoever described), (iii) any principal of any of the Exchangeable Notes is repaid prior to the final maturity date of the Exchangeable Notes (other than upon acceleration of the Exchangeable Notes described in Section 9(i)(ii)), or (iv) any Exchangeable Notes are exchanged by or for the benefit of the Holders (as defined in the Indenture) thereof for any other securities of Parent or Counterparty or any of their respective Affiliates (or any other property, or any combination thereof) pursuant to any exchange offer or similar transaction; provided that neither (i) any exchange of Exchangeable Notes pursuant to the terms of the Indenture, nor (ii) any exchange of Exchangeable Notes pursuant to Section 12.01 of the Indenture, shall in either case constitute a Repurchase Event.

(j) *Amendments to Equity Definitions*.

(i) Section 11.2(e)(vii) of the Equity Definitions is hereby amended by deleting the words "a diluting or concentrative" and replacing them with the words "a material" and adding the phrase "or the Options" at the end of the sentence.

(ii) Section 12.6(a)(ii) of the Equity Definitions is hereby amended by (1) deleting from the fourth line thereof the word "or" after the word "official" and inserting a comma therefor, and (2) deleting the semi-colon at the end of subsection (B) thereof and inserting the following words therefor "or (C) the occurrence of any of the events specified in Section 5 (a)(vii) (1) through (9) of the ISDA Master Agreement with respect to that Issuer."

(iii) Section 12.9(b)(i) of the Equity Definitions is hereby amended by (1) replacing "either party may elect" with "Dealer may elect" and (2) replacing "notice to the other party" with "notice to Counterparty" in the first sentence of such section.

(iv) Section 12.9(b)(vi) of the Equity Definitions is hereby amended by (1) adding the word "or" immediately before subsection "(B)", (2) deleting the comma at the end of subsection (A), (3) deleting subsection (C) in its entirety, (4) deleting the word "or" immediately preceding subsection (C) and (5) replacing the words "either party" in the last sentence of such Section with "Dealer".

(k) *No Collateral or Setoff.* Neither party shall have the right to set off any obligation that it may have to the other party under the Transaction against any obligation such other party may have to it, whether arising under the Agreement, this Confirmation or any other agreement between the parties hereto, by operation of law or otherwise.

(l) *Alternative Calculations and Payment on Early Termination and on Certain Extraordinary Events*. If (a) an Early Termination Date (whether as a result of an Event of Default or a Termination Event) occurs or is designated with respect to the Transaction or (b) the Transaction is cancelled or terminated upon the occurrence of an Extraordinary Event (except as a result of (i) a Nationalization, Insolvency or Merger Event in which the consideration to be paid to holders of Shares consists solely of cash, (ii) a Merger Event or Tender Offer that is within Counterparty's control, or (iii) an Event of Default in which Counterparty is the Defaulting Party or a Termination Event in which Counterparty is the Affected Party other than an Event of Default of the type described in Section 5(a)(iii), (v), (vi), (vii) or (viii) of the Agreement or a Termination Event of the type described in Section 5 (b) of the Agreement, in each case that resulted from an event or events outside Counterparty's control), and if Dealer would owe any amount to Counterparty pursuant to Section 6(d)(ii) or 6(e) of the Agreement or any Cancellation Amount pursuant to Article 12 of the Equity Definitions (any such amount, a "**Payment Obligation**"), then Dealer shall satisfy the Payment Obligation by the Share Termination Alternative (as defined below), unless (a) Counterparty gives irrevocable telephonic notice to Dealer, confirmed in writing within

one Scheduled Trading Day, no later than 12:00 p.m. (New York City time) on the Merger Date, Tender Offer Date, Announcement Date (in the case of a Nationalization, Insolvency or Delisting), Early Termination Date or date of cancellation, as applicable, of its election that the Share Termination Alternative shall not apply, (b) Counterparty remakes the representation set forth in Section 8.(f) as of the date of such election and (c) Dealer agrees, in its reasonable discretion, to such election, in which case the provisions of Section 12.7 or Section 12.9 of the Equity Definitions, or the provisions of Section 6(d)(ii) or 6(e) of the Agreement, as the case may be, shall apply.

Share Termination Alternative: If applicable, Dealer shall deliver to Counterparty the Share Termination Delivery Property on, or within a commercially reasonable period of time after, the date when the relevant Payment Obligation would otherwise be due pursuant to Section 12.7 or 12.9 of the Equity Definitions or Section 6(d)(ii) and 6(e) of the Agreement, as applicable, in satisfaction of such Payment Obligation in the manner reasonably requested by Counterparty free of payment.

Share Termination Delivery Property:	A number of Share Termination Delivery Units, as calculated by the Calculation Agent, equal to the Payment Obligation divided by the Share Termination Unit Price. The Calculation Agent shall adjust the Share Termination Delivery Property by replacing any fractional portion of a security therein with an amount of cash equal to the value of such fractional security based on the values used to calculate the Share Termination Unit Price.
Share Termination Unit Price:	The value to Dealer of property contained in one Share Termination Delivery Unit, as determined by the Calculation Agent in good faith and by commercially reasonable means and notified by the Calculation Agent to Dealer at the time of notification of the Payment Obligation. For the avoidance of doubt, the parties agree that in determining the Share Termination Delivery Unit Price the Calculation Agent may consider the purchase price paid in connection with the purchase of Share Termination Delivery Property.
Share Termination Delivery Unit:	One Share or, if the Shares have changed into cash or any other property or the right to receive cash or any other property as the result of a Nationalization, Insolvency or Merger Event (any such cash or other property, the "**Exchange Property**"), a unit consisting of the type and amount of such Exchange Property received by a holder of one Share (without consideration of any requirement to pay cash or other consideration in lieu of fractional amounts of any securities) in such Nationalization, Insolvency or Merger Event, as determined by the Calculation Agent.
Failure to Deliver:	Applicable

Other applicable provisions:	If Share Termination Alternative is applicable, the provisions of Sections 9.8, 9.9 and 9.11 (as modified above) of the Equity Definitions and the provisions set forth opposite the caption "Representation and Agreement" in Section 2 will be applicable, except that all references in such provisions to "Physically-settled" shall be read as references to "Share Termination Settled" and all references to "Shares" shall be read as references to "Share Termination Delivery Units". "Share Termination Settled" in relation to the Transaction means that Share Termination Alternative is applicable to the Transaction.

(m) *Waiver of Jury Trial*. Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to the Transaction. Each party (i) certifies that no representative, agent or attorney of either party has represented, expressly or otherwise, that such other party would not, in the event of such a suit, action or proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party have been induced to enter into the Transaction, as applicable, by, among other things, the mutual waivers and certifications provided herein.

(n) *Registration.* Parent hereby agrees that if, in the good faith reasonable judgment of Dealer, the Shares or other Hedge Positions (the "**Hedge Shares**") acquired by Dealer for the purpose of hedging its obligations pursuant to the Transaction cannot be sold in the public market by Dealer without registration under the Securities Act, Parent shall, at its election in its sole and absolute discretion, either (i) in order to allow Dealer to sell the Hedge Shares in a registered offering, make available to Dealer an effective registration statement under the Securities Act and enter into an agreement, in form and substance satisfactory to Dealer, substantially in the form of an underwriting agreement for a registered secondary offering; *provided, however*, that if Dealer, in its sole reasonable discretion, is not satisfied with access to due diligence materials, the results of its due diligence investigation, or the procedures and documentation for the registered offering referred to above, then clause (ii) or clause (iii) of this paragraph shall apply at the election of Parent, (ii) in order to allow Dealer to sell the Hedge Shares in a private placement, enter into a private placement agreement substantially similar to private placement purchase agreements customary for private placements of equity securities, in form and substance satisfactory to Dealer (in which case, the Calculation Agent shall make any adjustments to the terms of the Transaction that are necessary, in its reasonable judgment, to compensate Dealer for any discount from the public market price of the Shares or other Hedge Positions incurred on the sale of Hedge Shares in a private placement), or (iii) purchase the Hedge Shares from Dealer at the Relevant Price on such Exchange Business Days, and in the amounts, requested by Dealer.

(o) *Tax Disclosure*. Effective from the date of commencement of discussions concerning the Transaction, each of Counterparty and Parent and each of their respective employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transaction and all materials of any kind (including opinions or other tax analyses) that are provided to either of Counterparty or Parent relating to such tax treatment and tax structure.

(p) *Right to Extend*. Dealer may postpone or add, in whole or in part, any Valid Day or Valid Days during the Settlement Averaging Period or any other date of valuation, payment or delivery by Dealer, with respect to some or all of the Options hereunder, if Dealer reasonably determines, in its discretion, that such action is reasonably necessary or appropriate to preserve Dealer's hedging or hedge unwind activity hereunder in light of existing liquidity conditions (but only if there is a material decrease in

liquidity relative to Dealer's expectations on the Trade Date) or to enable Dealer to effect purchases of Shares or other Hedge Positions in connection with its hedging, hedge unwind or settlement activity hereunder in a manner that would, if Dealer were Parent or an

affiliated purchaser of Parent, be in compliance with applicable legal, regulatory or self-regulatory requirements, or with related policies and procedures applicable to Dealer (so long as such policies and procedures would generally be applicable to counterparties similar to Counterparty and transactions similar to the Transaction); *provided* that no such Valid Day or other date of valuation, payment or delivery may be postponed or added more than 20 Valid Days after the original Valid Day or other date of valuation, payment or delivery, as the case may be; *provided further* that in the event of an addition or postponement due to self- regulatory requirement or with related policies and procedures applicable to Dealer, such addition or postponement must be made for a whole day.

(q) *Status of Claims in Bankruptcy*. Dealer acknowledges and agrees that this Confirmation is not intended to convey to Dealer rights against either of Counterparty or Parent with respect to the Transaction that are senior to the claims of common stockholders of Counterparty or Parent, as applicable, in any United States bankruptcy proceedings of Counterparty or Parent, as applicable; *provided* that nothing herein shall limit or shall be deemed to limit Dealer's right to pursue remedies in the event of a breach by either of Counterparty or Parent, as applicable, of its obligations and agreements with respect to the Transaction; *provided, further* that nothing herein shall limit or shall be deemed to limit Dealer's rights in respect of any transactions other than the Transaction.

(r) *Securities Contract; Swap Agreement*. The parties hereto intend for (i) the Transaction to be a "securities contract" and a "swap agreement" as defined in the Bankruptcy Code, and the parties hereto to be entitled to the protections afforded by, among other Sections, Sections 362(b)(6), 362(b)(17), 546(e), 546(g), 555 and 560 of the Bankruptcy Code, (ii) a party's right to liquidate the Transaction and to exercise any other remedies upon the occurrence of any Event of Default under the Agreement with respect to the other party to constitute a "contractual right" as described in the Bankruptcy Code, and (iii) each payment and delivery of cash, securities or other property hereunder to constitute a "margin payment" or "settlement payment" and a "transfer" as defined in the Bankruptcy Code.

(s) *Notice of Certain Other Events*. Each of Counterparty and Parent covenants and agrees that:

(i) promptly following the public announcement of the results of any election by the holders of Shares with respect to the consideration due upon consummation of any Merger Event, Counterparty and/or Parent shall give Dealer written notice of (x) the weighted average of the types and amounts of consideration that holders of Shares have elected to receive upon consummation of such Merger Event or (y) if no holders of Shares affirmatively make such election, the types and amounts of consideration actually received by holders of Shares (the date of such notification, the "**Consideration Notification Date**"); *provided* that in no event shall the Consideration Notification Date be later than the date on which such Merger Event is consummated; and

(ii) promptly following any adjustment to the Exchangeable Notes in connection with any Potential Adjustment Event, Merger Event or Tender Offer, Counterparty and/or Parent shall give Dealer written notice of the details of such adjustment.

(t) *Designation by Dealer*. Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Counterparty and/or Parent, Dealer may designate any of its affiliates to purchase, sell, receive or deliver such shares or other securities and otherwise to perform Dealer obligations in respect of the Transaction and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Counterparty and Parent to the extent of any such performance.

(u) *Agreements and Acknowledgements Regarding Hedging*. Each of Counterparty and Parent understands, acknowledges and agrees that: (A) at any time on and prior to the Expiration Date, Dealer and its affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to adjust its hedge position with

respect to the Transaction; (B) Dealer and its affiliates also may be active in the market for Shares or other securities of the Counterparty other than in connection with hedging activities in relation to the Transaction; (C) Dealer shall make its own determination as to whether, when or in what manner any hedging or market activities in securities of Counterparty shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Relevant Prices; and (D) any market activities of Dealer and its affiliates with respect to Shares may affect the market price and volatility of Shares, as well as the Relevant Prices, each in a manner that may be adverse to Counterparty or Parent.

(v) *Early Unwind*. In the event the sale of the "Purchased Notes" (as defined in the Purchase Agreement dated as of January 9, 2017 between Counterparty, Parent and Citigroup Global Markets Inc. as representative of the Initial Purchasers party thereto (the "**Initial Purchasers**") (the "**Purchase Agreement**")) is not consummated with the Initial Purchasers for any reason, or either

Counterparty or Parent fails to deliver to Dealer opinion(s) of counsel as required pursuant to Section 9.(a), in each case by 5:00 p.m. (New York City time) on the Premium Payment Date, or such later date as agreed upon by the parties (the Premium Payment Date or such later date the "**Early Unwind Date**"), the Transaction shall automatically terminate (the "**Early Unwind**"), on the Early Unwind Date and (i) the Transaction and all of the respective rights and obligations of Dealer, Counterparty and Parent under the Transaction shall be cancelled and terminated and (ii) each party shall be released and discharged by the other parties from and agrees not to make any claim against any other party with respect to any obligations or liabilities of any other party arising out of and to be performed in connection with the Transaction either prior to or after the Early Unwind Date; *provided* that Counterparty shall purchase from Dealer on the Early Unwind Date all Shares and other Hedge Positions purchased by Dealer or one or more of its affiliates in connection with the Transaction at the then prevailing market price. Each of Dealer, Counterparty and Parent represents and acknowledges to the other parties that, subject to the proviso included in this Section 9. (v), upon an Early Unwind, all obligations with respect to the Transaction shall be deemed fully and finally discharged.

(w) *Payment by Counterparty*. In the event that, following payment of the Premium, (i) an Early Termination Date occurs or is designated with respect to the Transaction as a result of a Termination Event or an Event of Default (other than an Event of Default arising under Section 5(a)(ii) or 5(a)(iv) of the Agreement) and, as a result, Counterparty owes to Dealer an amount calculated under Section 6(d)(ii) or 6(e) of the Agreement, or (ii) Counterparty owes to Dealer, pursuant to Section 12.7 or Section 12.9 of the Equity Definitions, an amount calculated under Section 12.8 of the Equity Definitions, such amount shall be deemed to be zero.

(x) *Governing Law*. THE AGREEMENT, THIS CONFIRMATION AND ALL MATTERS ARISING IN CONNECTION WITH THE AGREEMENT AND THIS CONFIRMATION SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REFERENCE TO ITS CHOICE OF LAW DOCTRINE, OTHER THAN TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

(y) *FATCA Carve-out*. The parties agree that the definitions and provisions contained in the ISDA 2012 FATCA Protocol as published by the International Swaps and Derivatives Association, Inc. on August 15, 2012, are incorporated into and apply to the Agreement as if set forth in full herein.

(z) *871(m) Provision*. The parties agree that the definitions and provisions contained in the ISDA 2015 Section 871(m) Protocol, as published by the International Swaps and Derivatives Association, Inc and as may be amended, supplemented, replaced or superseded from time to time (the "**871(m) Protocol**") shall apply to this Agreement as if the parties had adhered to the 871 (m) Protocol as of the effective date of this Agreement. If there is any inconsistency between this provision and a provision in any other agreement executed between the parties, this provision shall prevail unless such other agreement expressly overrides the provisions of the 871(m) Protocol.

(aa) *Tax Representations and Forms*.

For purposes of Section 3(f) of the Agreement:

Counterparty is a corporation established under the laws of the State of Delaware.

Counterparty is a "U.S. Person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, and its tax identification number is 93-0711613.

Counterparty is "exempt" within the meaning Sections 1.6041-3(p) and 1.6049-4(c) of the United States Treasury Regulations (the "**Regulations**") from information reporting on Form 1099 and backup withholding.

Parent is a corporation established under the laws of Bermuda and is classified as a corporation for U.S. federal income tax purposes.

No income received or to be received under this Agreement will be effectively connected with the conduct of a trade or business by Parent in the United States.

Parent is a "non-U.S. branch of a foreign person" as that term is used in Section 1.1441-4(a)(3)(ii) of the Regulations, and it is a "foreign person" as that term is used in Section 1.6041-4(a)(4) of the Regulations.

For the purpose of Section 4(a) of the Agreement:

Tax forms, documents or certificates to be delivered are:

Party required to deliver document	**Form/Document/ Certificate**	**Date by which to be delivered**
Counterparty	As required under Section 4(a)(i) of the Agreement, IRS Form W-9 or successor form or document prescribed by the IRS from time to time.	Promptly upon execution of the Confirmation; promptly upon learning that any form previously provided by Counterparty has become obsolete or incorrect; and promptly

		upon reasonable request by the Dealer.
Parent	As required under Section 4(a)(i) of the Agreement, IRS Form W-8BEN-E or any successor form or document prescribed by the IRS from time to time.	Promptly upon execution of the Confirmation; promptly upon learning that any form previously provided by Parent has become obsolete or incorrect; and promptly upon reasonable request by the Dealer.

Each of Counterparty and Parent hereby agrees (a) to check this Confirmation carefully and immediately upon receipt so that errors or discrepancies can be promptly identified and rectified and (b) to confirm that the foregoing (in the exact form provided by Dealer) correctly sets forth the terms of the agreement between Dealer, Counterparty and Parent with respect to the Transaction, by manually signing this Confirmation or this page hereof as evidence of agreement to such terms and providing the other information requested herein and immediately returning an executed copy to Dealer.

Very truly yours,

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Stephen Roti
Name: Stephen Roti
Title: Managing Director

Accepted and confirmed
as of the Trade Date:

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 Base Capped Call Confirmation]

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Section 4: EX-10.3 (EX-10.3)

Exhibit 10.3

EXECUTION VERSION

GOLDMAN, SACHS & CO. | 200 WEST STREET | NEW YORK, NEW YORK 10282-2198 | TEL: 212-902-1000

Opening Transaction

January 9, 2017

To: Nabors Industries, Inc.
515 W. Greens Road
Suite 1200, Houston, TX 776067
Attention: General Counsel
Telephone No.: (281) 874-0035
Email: general.counsel@nabors.com

Re: Base Call Option Transaction

The purpose of this letter agreement (this "**Confirmation**") is to confirm the terms and conditions of the call option transaction entered into among Goldman, Sachs & Co. ("**Dealer**"), Nabors Industries, Inc. ("**Counterparty**") and Nabors Industries Ltd. ("**Parent**") as of the Trade Date specified below (the "**Transaction**"). This letter agreement constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below. Each party further agrees that this Confirmation together with the Agreement evidence a complete binding agreement between Counterparty, Parent and Dealer as to the subject matter and terms of the Transaction to which this Confirmation relates, and shall supersede all prior or contemporaneous written or oral communications with respect thereto.

The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the "**Equity Definitions**"), as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") are incorporated into this Confirmation. In the event of any inconsistency between the Equity Definitions and this Confirmation, this Confirmation shall govern. Certain defined terms used herein are based on terms that are defined in the Offering Memorandum dated January 10, 2017 (the "**Offering Memorandum**") relating to the 0.75% Exchangeable Senior Notes due January 15, 2024 (as originally issued by Counterparty, the "**Exchangeable Notes**" and each USD 1,000 principal amount of Exchangeable Notes, an "**Exchangeable Note**") issued by Counterparty in an aggregate initial principal amount of USD 500,000,000 (as increased by up to an aggregate principal amount of USD 75,000,000 if and to the extent that the Initial Purchasers (as defined herein)) exercise their option to purchase additional Exchangeable Notes pursuant to the Purchase Agreement (as defined herein)) pursuant to an Indenture to be dated January 13, 2017 among Counterparty, Parent and Wilmington Trust, National Association, as trustee (the "**Indenture**"). In the event of any inconsistency between the terms defined in the Offering Memorandum, the Indenture and this Confirmation, this Confirmation shall govern. The parties acknowledge that this Confirmation is entered into on the date hereof with the understanding that (i) definitions set forth in the Indenture which are also defined herein by reference to the Indenture and (ii) sections of the Indenture that are referred to herein will conform to the descriptions thereof in the Offering Memorandum. If any such definitions in the Indenture or any such sections of the Indenture differ from the descriptions thereof in the Offering Memorandum, the descriptions thereof in the Offering Memorandum will govern for purposes of this Confirmation. The parties further acknowledge that the Indenture section numbers used herein are based on the draft of the Indenture last reviewed by Dealer as of the date of this Confirmation, and if any such section numbers are changed in the Indenture as executed, the parties will amend this Confirmation in good faith to preserve the intent of the parties. Subject to the foregoing, references to the Indenture herein are references to the Indenture on the date of its execution and if the Indenture is amended or supplemented following such date (other than any amendment or supplement (x) pursuant to Section 9.01(m) of the Indenture that, as determined by the Calculation Agent, conforms the Indenture to the description of Exchangeable Notes in the Offering Memorandum or (y) pursuant to Section 10.05 of the Indenture, subject, in the case of this clause (y), to the second paragraph under "Method of Adjustment" in Section 3), any such amendment or supplement will be disregarded for purposes of this Confirmation (other than as provided in Section 9.(i)(iii) below) unless the parties agree otherwise in writing.

Each party is hereby advised, and each such party acknowledges, that the other party has engaged in, or refrained from engaging in, substantial financial transactions and has taken other material actions in reliance upon the parties' entry into the Transaction to which this Confirmation relates on the terms and conditions set forth below.

1. This Confirmation evidences a complete and binding agreement among Dealer, Counterparty and Parent as to the terms of the Transaction to which this Confirmation relates. This Confirmation shall supplement, form a part of, and be subject to an agreement in the form of the 2002 ISDA Master Agreement (the "**Agreement**") as if Dealer, Counterparty and Parent had executed an agreement in such form (but without any Schedule except for the election that the "Cross Default" provisions shall apply to Dealer with a "Threshold Amount" equal to 3% of the shareholders' equity of The Goldman Sachs Group, Inc. ("**GS Group**") as of the Trade Date, (b) the deletion of the phrase ", or becoming capable at such time of being declared," from clause (1) thereof, (c) the following language added to the end thereof: "Notwithstanding the foregoing, a default under subsection (2) hereof shall not constitute an Event of Default if (x) the default was caused solely by error or omission of an administrative or operational nature; (y) funds were available to enable the party to make the payment when due; and (z) the payment is made within two Local Business Days of such party's receipt of written notice of its failure to pay." and (d) the term "Specified Indebtedness" shall have the meaning specified in Section 14 of the Agreement, except that such term shall not include obligations in respect of deposits received in the ordinary course of a party's banking business). All of the obligations of Dealer hereunder shall be unconditionally guaranteed in favor of Counterparty by GS Group under the guarantee filed as Exhibit 10.45 to GS Group's Form 10-K filed with the Securities and Exchange Commission on February 7, 2006. The parties hereby agree that no transaction other than the Transaction to which this Confirmation relates shall be governed by the Agreement.

2. The terms of the particular Transaction to which this Confirmation relates are as follows:

General Terms.

Trade Date:	January 9, 2017
Effective Date:	The closing date of the initial issuance of the Exchangeable Notes.
Option Style:	Modified American, as described under "Procedures for Exercise" below
Option Type:	Call
Buyer:	Counterparty
Seller:	Dealer

Shares:	The common shares of Parent, par value USD 0.001 per share (Exchange symbol "NBR").
Number of Options:	The number of Exchangeable Notes constituting Purchased Notes (as defined in the Purchase Agreement) in denominations of USD 1,000 principal amount issued by Counterparty on the closing date for the initial issuance of the Exchangeable Notes. For the avoidance of doubt, the Number of Options outstanding shall be reduced by each exercise of Options hereunder.
Option Entitlement:	As of any date, a number of Shares per Option equal to the Applicable Percentage of the "Exchange Rate" (as defined in the Indenture, but without regard to any adjustments to the Exchange Rate pursuant to Excluded Provisions).
Strike Price:	USD 25.1580

Cap Price:	USD 31.4475
Premium:	USD 17,500,000
Premium Payment Date:	Effective Date
Applicable Percentage:	50%
Exchange:	The New York Stock Exchange
Related Exchange(s):	All Exchanges
Excluded Provisions:	Section 10.03 and Section 10.04(n) of the Indenture.

Procedures for Exercise.

Exchange Date:	With respect to any exchange of an Exchangeable Note (other than any exchange of Exchangeable Notes with an Exchange Date occurring prior to the Free Exchangeability Date (any such exchange, an "**Early Exchange**"), to which the provisions of Section 9.(i)(i) of this Confirmation shall apply), the date on which the Holder (as such term is defined in the Indenture) of such Exchangeable Note satisfies all of the requirements for exchange thereof as set forth in Section 10.02(a) of the Indenture.
Free Exchangeability Date:	December 15, 2023
Expiration Time:	The Valuation Time
Expiration Date:	The "Maturity Date" (as defined in the Indenture).
Multiple Exercise:	Applicable, as described under "Automatic Exercise" below.
Automatic Exercise:	Notwithstanding Section 3.4 of the Equity Definitions, on each Exchange Date occurring on or after the Free Exchangeability Date, in respect of which an Exchange Notice that is effective as to Counterparty has been delivered by the relevant exchanging Holder, a number of Options equal to the number of Exchangeable Notes in denominations of USD 1,000 as to which such Exchange Date has occurred shall be deemed to be automatically exercised; *provided* that such Options shall be exercised or deemed exercised only if Counterparty has provided a Notice of Exercise to Dealer in accordance with "Notice of Exercise" below. Notwithstanding the foregoing, in no event shall the number of Options that are exercised or deemed exercised hereunder exceed the Number of Options.
Notice of Exercise:	Notwithstanding anything to the contrary in the Equity Definitions or under "Automatic Exercise" above, in order to exercise any Options relating to Exchangeable Notes with an Exchange Date occurring on or after the Free Exchangeability Date, Counterparty must notify

Dealer in writing before 5:00 p.m. (New York City time) on the Scheduled Valid Day

immediately preceding the Expiration Date specifying the number of such Options; *provided* that if the Relevant Settlement Method for such Options is (x) Net Share Settlement and the Specified Cash Amount (as defined below) is not USD 1,000, (y) Cash Settlement or (z) Combination Settlement, Dealer shall have received a separate notice (the "**Notice of Final Settlement Method**") in respect of all such Exchangeable Notes before 5:00 p.m. (New York City time) on the Free Exchangeability Date specifying (1) the Relevant Settlement Method for such Options, and (2) if the settlement method for the related Exchangeable Notes is not Settlement in Shares or Settlement in Cash (each as defined below), the fixed amount of cash per Exchangeable Note that Counterparty has elected to deliver to Holders (as such term is defined in the Indenture) of the related Exchangeable Notes (the "**Specified Cash Amount**"). Counterparty acknowledges its responsibilities under applicable securities laws, and in particular Section 9 and Section 10(b) of the Exchange Act (as defined below) and the rules and regulations thereunder, in respect of any election of a settlement method with respect to the Exchangeable Notes.

Valuation Time: At the close of trading of the regular trading session on the Exchange; *provided* that if the principal trading session is extended, the Calculation Agent shall determine the Valuation Time in its reasonable discretion.

Market Disruption Event: Section 6.3(a) of the Equity Definitions is hereby replaced in its entirety by the following:

"'Market Disruption Event' means, in respect of a Share, (i) a failure by the primary United States national or regional securities exchange or market on which the Shares are listed or admitted for trading to open for trading during its regular trading session or (ii) the occurrence or existence prior to 1:00 p.m. (New York City time) on any Scheduled Valid Day for the Shares for more than one half-hour period in the aggregate during regular trading hours of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant stock exchange or otherwise) in the Shares or in any options contracts or futures contracts relating to the Shares."

Settlement Terms.

Settlement Method: For any Option, Net Share Settlement; *provided* that if the Relevant Settlement Method set forth below for such Option is not Net Share Settlement, then the Settlement Method for such Option shall be such Relevant Settlement Method, but only if Counterparty shall have notified Dealer of the Relevant Settlement Method in the Notice of Final Settlement Method for such Option.

Relevant Settlement Method: In respect of any Option:

(i) if Counterparty has elected to settle its exchange obligations in respect of the related Exchangeable Note (A) entirely in Shares pursuant to Section 10.02(b)(i) of the Indenture (together with cash in lieu of fractional Shares) (such settlement method, "**Settlement in Shares**"), (B) in a combination of cash and Shares pursuant to Section 10.02(b)(iii) of the Indenture with a Specified Cash Amount less than USD 1,000 (such settlement method, "**Low Cash Combination Settlement**") or (C) in a combination of cash and Shares pursuant to Section 10.02(b)(iii) of the Indenture with a Specified Cash Amount equal to USD 1,000, then, in each case, the Relevant Settlement Method for such Option shall be Net Share Settlement;

(ii) if Counterparty has elected to settle its exchange obligations in respect of the related Exchangeable Note in a combination of cash and Shares pursuant to Section 10.02(b)(iii) of the Indenture with a Specified Cash Amount greater than USD 1,000, then the Relevant Settlement Method for such Option shall be Combination Settlement; and

(iii) if Counterparty has elected to settle its exchange obligations in respect of the related Exchangeable Note entirely in cash pursuant to Section 10.02(b)(ii) of the Indenture (such settlement method, "**Settlement in Cash**"), then the Relevant Settlement Method for such Option shall be Cash Settlement.

Net Share Settlement: If Net Share Settlement is applicable to any Option exercised or deemed exercised

hereunder, Dealer will deliver to Counterparty, on the relevant Settlement Date for each such Option, a number of Shares (the "**Net Share Settlement Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for each such Option, of (i) (a) the Daily Option Value for such Valid Day, *divided by* (b) the Relevant Price on such Valid Day, *divided by* (ii) the number of Valid Days in the Settlement Averaging Period; *provided* that in no event shall the Net Share Settlement Amount for any Option exceed a number of Shares equal to the Applicable Limit for such Option *divided by* the Applicable Limit Price on the Settlement Date for such Option.

Dealer will pay cash in lieu of delivering any fractional Shares to be delivered with respect to any Net Share Settlement Amount valued at the Relevant Price for the last Valid Day of the Settlement Averaging Period.

Combination Settlement: If Combination Settlement is applicable to any Option exercised or deemed exercised hereunder, Dealer will pay or deliver, as the case may be, to Counterparty, on the relevant Settlement Date for each such Option:

(i) cash (the "**Combination Settlement Cash Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for such Option, of (A) an amount (the "**Daily Combination Settlement Cash Amount**") equal to the lesser of (1) the product of (x) the Applicable Percentage and (y) the Specified Cash Amount *minus* USD 1,000 and (2) the Daily Option Value, *divided by* (B) the number of Valid Days in the Settlement Averaging Period; *provided* that if the calculation in clause (A) above results in zero or a negative number for any Valid Day, the Daily Combination Settlement Cash Amount for such Valid Day shall be deemed to be zero; and

(ii) Shares (the "**Combination Settlement Share Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for such Option, of a number of Shares for such Valid Day (the "**Daily Combination Settlement Share Amount**") equal to (A) (1) the Daily Option Value on such Valid Day *minus* the Daily Combination Settlement Cash Amount for such Valid Day, *divided by* (2) the Relevant Price on such Valid Day, *divided by* (B) the number of Valid Days in the Settlement Averaging Period; *provided* that if the calculation in sub-clause (A) (1) above results in zero or a negative number for any Valid Day, the Daily Combination Settlement Share Amount for such Valid Day shall be deemed to be zero;

provided that in no event shall the sum of (x) the Combination Settlement Cash Amount for any Option and (y) the Combination Settlement Share Amount for such Option *multiplied by* the Applicable Limit Price on the Settlement Date for such Option, exceed the Applicable Limit for such Option.

Dealer will pay cash in lieu of delivering any fractional Shares to be delivered with respect to any Combination Settlement Share Amount valued at the Relevant Price for the last Valid Day of the Settlement Averaging Period.

Cash Settlement: If Cash Settlement is applicable to any Option exercised or deemed exercised hereunder, in lieu of Section 8.1 of the Equity Definitions, Dealer will pay to Counterparty, on the relevant Settlement Date for each such Option, an amount of cash (the "**Cash Settlement Amount**") equal to the sum, for each Valid Day during the Settlement Averaging Period for such Option, of (i) the Daily Option Value for such Valid Day, *divided by* (ii) the number of Valid Days in the Settlement Averaging Period.

Daily Option Value: For any Valid Day, an amount equal to (i) the Option Entitlement on such Valid Day, *multiplied by* (ii) (A) the lesser of the Relevant Price on such Valid Day and the Cap Price, *less* (B) the Strike Price on such Valid Day;

provided that if the calculation contained in clause (ii) above results in a negative number, the Daily Option Value for such Valid Day shall be deemed to be zero. In no event will the Daily Option Value be less than zero.

Applicable Limit: For any Option, an amount of cash equal to the Applicable Percentage *multiplied by* the

	excess of (i) the aggregate of (A) the amount of cash, if any, paid to the Holder of the related Exchangeable Note upon exchange of such Exchangeable Note and (B) the number of Shares, if any, delivered to the Holder of the related Exchangeable Note upon exchange of such Exchangeable Note *multiplied by* the Applicable Limit Price on the Settlement Date for such Option, over (ii) USD 1,000.
Applicable Limit Price:	On any day, the opening price as displayed under the heading "Op" on Bloomberg page "NBR US <equity>" (or any successor thereto).
Valid Day:	A day on which (i) there is no Market Disruption Event and (ii) trading in the Shares generally occurs on the Exchange or, if the Shares are not then listed on the Exchange, on the principal other United States national or regional securities exchange on which the Shares are then listed or, if the Shares are not then listed on a United States national or regional securities exchange, on the principal other market on which the Shares are then listed or admitted for trading. If the Shares are not so listed or admitted for trading, "Valid Day" means a Business Day.
Scheduled Valid Day:	A day that is scheduled to be a Valid Day on the principal United States national or regional securities exchange or market on which the Shares are listed or admitted for trading. If the Shares are not so listed or admitted for trading, "Scheduled Valid Day" means a Business Day.
Business Day:	Any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.
Relevant Price:	On any Valid Day, the per Share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page "NBR US <equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the scheduled opening time of the Exchange to the Scheduled Closing Time of the Exchange on such Valid Day (or if such volume-weighted average price is unavailable at such time, then (x) if the Indenture provides an alternate method for determining the volume-weighted average price of Shares, the per Share volume-weighted average price as determined pursuant to such alternate method and (y) otherwise, the market value of one Share on such Valid Day, as determined by the Calculation Agent using, if practicable, a volume-weighted average price method). The Relevant Price will be determined without regard to after-hours

	trading or any other trading outside of the regular trading session trading hours.
Settlement Averaging Period:	For any Option and regardless of the Settlement Method applicable to such Option, the 20 consecutive Valid Days commencing on, and including, the 22nd Scheduled Valid Day immediately prior to the "Maturity Date" (as defined in the Indenture); *provided* that if the Notice of Final Settlement Method for such Option specifies that Settlement in Shares or Low Cash Combination Settlement applies to the related Exchangeable Note, the Settlement Averaging Period shall be the 40 consecutive Valid Days commencing on, and including, the 42nd Scheduled Valid Day immediately prior to the "Maturity Date" (as defined in the Indenture). For the avoidance of doubt, the provisions of Section 9(i)(i) of this Confirmation shall apply to any Early Exchange, and no Settlement Averaging Period will apply to such Early Exchange.
Settlement Date:	For any Option, the third Business Day immediately following the final Valid Day of the Settlement Averaging Period for such Option.
Settlement Currency:	USD
Other Applicable Provisions:	The provisions of Sections 9.1(c), 9.8, 9.9 and 9.11 of the Equity Definitions will be applicable, except that all references in such provisions to "Physically-settled" shall be read as references to "Share Settled". "Share Settled" in relation to any Option means that Net Share Settlement or Combination Settlement is applicable to that Option.
Representation and Agreement:	Notwithstanding anything to the contrary in the Equity Definitions (including, but not limited to, Section 9.11 thereof), the parties acknowledge that (i) any Shares delivered to Counterparty shall be, upon delivery, subject to restrictions and limitations arising from Counterparty's status as issuer of the Shares under applicable securities laws, (ii) Dealer may deliver any Shares required to be delivered hereunder in certificated form in lieu of delivery through the Clearance System and (iii) any Shares delivered to Counterparty

may be "restricted securities" (as defined in Rule 144 under the Securities Act of 1933, as amended (the "**Securities Act**")).

3. Additional Terms applicable to the Transaction.

Adjustments applicable to the Transaction:

Potential Adjustment Events: Notwithstanding Section 11.2(e) of the Equity Definitions, a "Potential Adjustment Event" means an occurrence of any event or condition, as set forth in any Dilution Adjustment Provision, that would result in an adjustment under the Indenture to the "Exchange Rate" or the composition of a "unit of Reference Property" or to any "Last Reported Sale Price," "VWAP," "Daily

Exchange Value" or "Daily Settlement Amount" (each as defined in the Indenture). For the avoidance of doubt, Dealer shall not have any delivery or payment obligation hereunder, and no adjustment shall be made to the terms of the Transaction, on account of (x) any distribution of cash, property or securities by Counterparty to holders of the Exchangeable Notes (upon exchange or otherwise) or (y) any other transaction in which holders of the Exchangeable Notes are entitled to participate, in each case, in lieu of an adjustment under the Indenture of the type referred to in the immediately preceding sentence (including, without limitation, pursuant to the third paragraph of Section 10.04 (c) of the Indenture or the third paragraph of Section 10.04(d) of the Indenture).

Method of Adjustment: Calculation Agent Adjustment, which means that, notwithstanding Section 11.2(c) of the Equity Definitions, upon any Potential Adjustment Event, the Calculation Agent shall make:

(A) an adjustment corresponding to the adjustment to be made pursuant to the Indenture (or, if no Exchangeable Notes are outstanding, that would have been made if Exchangeable Notes were outstanding) to any one or more of the Strike Price, Number of Options and/or Option Entitlement; and

(B) an appropriate adjustment to the Cap Price to the extent any adjustment is made to the Strike Price pursuant to clause (A) above (for the avoidance of doubt, such adjustment to each of the Strike Price and the Cap Price to be made in good faith while consistently taking into account factors and other items relevant to such adjustment); provided that in no event shall the Strike Price be adjusted to be greater than the Cap Price.

Notwithstanding the foregoing and "Consequences of Merger Events / Tender Offers" below:

(i) if the Calculation Agent in good faith disagrees with any adjustment to the Exchangeable Notes that involves an exercise of discretion by Counterparty or its board of directors (including, without limitation, pursuant to Section 10.04(q) of the Indenture, Section 10.05 of the Indenture or any supplemental indenture entered into thereunder or in connection with any appropriate adjustment or the determination of the fair value of any securities, property, rights or other assets), then in each such case, the Calculation Agent will determine the adjustment to be made to any one or more of the Strike Price, Number of Options, Option Entitlement and any other variable relevant to the exercise, settlement or payment for the Transaction in a commercially reasonable manner; *provided* that, notwithstanding the foregoing, if any Potential

Adjustment Event occurs during the Settlement Averaging Period but no adjustment was made to any Exchangeable Note under the Indenture because the relevant Holder (as such term is defined in the Indenture) was deemed to be a record owner of the underlying Shares on the related Exchange Date, then the Calculation Agent shall make the adjustments that would have been made under the Indenture in order to account for such Potential Adjustment Event;

(ii) in connection with any Potential Adjustment Event as a result of an event or condition set forth in Section 10.04(b) of the Indenture or Section 10.04(c) of the

Indenture where, in either case, the period for determining "Y" (as such term is used in Section 10.04(b) of the Indenture) or "SP_0" (as such term is used in Section 10.04(c) of the Indenture), as the case may be, begins before Counterparty has publicly announced the event or condition giving rise to such Potential Adjustment Event, then the Calculation Agent shall have the right to adjust any variable relevant to the exercise, settlement or payment for the Transaction as appropriate to reflect the costs (including, but not limited to, hedging mismatches and market losses) and expenses incurred by Dealer in connection with its hedging activities as a result of such event or condition not having been publicly announced prior to the beginning of such period; *provided* that in no event shall the Cap Price after giving effect to any such adjustment be less than the Strike Price; and

(iii) if any Potential Adjustment Event is declared and (a) the event or condition giving rise to such Potential Adjustment Event is subsequently amended, modified, cancelled or abandoned, (b) the "Exchange Rate" (as defined in the Indenture) is otherwise not adjusted at the time or in the manner contemplated by the relevant Dilution Adjustment Provision based on such declaration or (c) the "Exchange Rate" (as defined in the Indenture) is adjusted as a result of such Potential Adjustment Event and subsequently re-adjusted (each of clauses (a), (b) and (c), a "**Potential Adjustment Event Change**") then, in each case, the Calculation Agent shall have the right to adjust any variable relevant to the exercise, settlement or payment for the Transaction as appropriate to reflect the costs (including, but not limited to, hedging mismatches and market losses) and expenses incurred by Dealer in connection with its hedging activities as a result of such Potential

Adjustment Event Change; *provided* that in no event shall the Cap Price after giving effect to any such adjustment be less than the Strike Price.

Dilution Adjustment Provisions:	Sections 10.04(a), (b), (c), (d) and (e) and Section 10.04(q) of the Indenture.

Extraordinary Events applicable to the Transaction:

Merger Events:	Applicable; *provided* that notwithstanding Section 12.1(b) of the Equity Definitions, a "Merger Event" means the occurrence of any event or condition set forth in Section 10.05 of the Indenture.
Tender Offers:	Applicable; *provided* that notwithstanding Section 12.1(d) of the Equity Definitions, a "Tender Offer" means the occurrence of any event or condition set forth in Section 10.04(e) of the Indenture.
Consequences of Merger Events/ Tender Offers:	Notwithstanding Section 12.2 and Section 12.3 of the Equity Definitions, upon the occurrence of a Merger Event or a Tender Offer, the Calculation Agent shall make (A) a corresponding adjustment to any one or more of the nature of the Shares, Strike Price, Number of Options and Option Entitlement, in each case, to the extent an analogous adjustment would be made pursuant to the Indenture in connection with such Merger Event or Tender Offer, or to the definitions of "Exchange", "Relevant Price", and "Settlement Averaging Period" of this Confirmation and any other variable relevant to the exercise, settlement or payment for the Transaction, subject to the second paragraph under "Method of Adjustment"; and (B) an appropriate adjustment to the Cap Price to the extent any adjustment is made to the Strike Price pursuant to clause (A) above (for the avoidance of doubt, such adjustment to each of the Strike Price and the Cap Price to be made in good faith while consistently taking into account factors and other items relevant to such adjustment); provided that in no event shall the Strike Price be adjusted to be greater than the Cap Price; *provided, however*, that such adjustment shall be made without regard to any adjustment to the Exchange Rate pursuant to any Excluded Provision; *provided further* that the Calculation Agent acting in good faith and in a commercially reasonable manner may limit or alter any such adjustment referenced in this paragraph so that the fair value of the Transaction to Dealer (taking into account a commercially reasonable hedge position) is not adversely affected as a result of such adjustment.

	Notwithstanding the foregoing, if, with respect to a Merger Event or a Tender Offer, (a) (i) the consideration for the Shares includes (or, at the option of a holder of Shares, may include) shares of an entity or person that is not a corporation or is not organized under the laws of the United States, any State thereof, the District of Columbia, Bermuda or the Cayman Islands or (ii) the Parent to the Transaction following such Merger Event or Tender Offer will not be a corporation, and (b) Dealer determines, based on advice of counsel, that such Merger Event or Tender Offer would result in a material adverse effect to Dealer, in connection with this Transaction, Cancellation and Payment (Calculation Agent Determination) may apply at Dealer's sole election; *provided further* that, for the avoidance of doubt, adjustments shall be made pursuant to the provisions set forth above regardless of whether any Merger Event or Tender Offer gives rise to an Early Exchange.
Consequences of Announcement Events:	Modified Calculation Agent Adjustment as set forth in Section 12.3(d) of the Equity Definitions; *provided* that, in respect of an Announcement Event, (v) references to "Tender Offer" shall be replaced by references to "Announcement Event" and references to "Tender Offer Date" shall be replaced by references to "date of such Announcement Event", (w) the word "shall" in the second line shall be replaced with "may", (x) the phrase "exercise, settlement, payment or any other terms of the Transaction (including, without limitation, the spread)" shall be replaced by the phrase "Cap Price (provided that in no event shall the Cap Price be less than the Strike Price)", (y) the fifth and sixth lines shall be deleted in their entirety and replaced with the words "effect on the embedded warrants in favor of Dealer in such Transaction (as represented by the Cap Price) of such Announcement Event solely to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or such embedded warrants", and (z) for the avoidance of doubt, the Calculation Agent may adjust the terms of the Transaction for a single Announcement Event on one or more occasions on or after the date of such Announcement Event up to, and including, the Expiration Date, any Early Termination Date and/or any other date of cancellation, it being understood that any adjustment in respect of an Announcement Event shall take into account any earlier adjustment relating to the same Announcement Event. An Announcement Event shall be an "Extraordinary Event" for purposes of the Equity Definitions, to which Article 12 of the Equity Definitions is applicable.
Announcement Event:	(i) The public announcement by any entity of (x) any transaction or event that, if completed, would constitute a Merger Event or Tender Offer, (y) any potential acquisition by Issuer and/or its subsidiaries where the aggregate consideration exceeds 25% of the market

	capitalization of Issuer as of the date of such announcement (an "**Acquisition Transaction**") or (z) the intention to enter into a Merger Event or Tender Offer or an Acquisition Transaction, (ii) the public announcement by Issuer of an intention to solicit or enter into, or to explore strategic alternatives or other similar undertaking that may include, a Merger Event or Tender Offer or an Acquisition Transaction or (iii) any subsequent public announcement by any entity of a change to a transaction or intention that is the subject of an announcement of the type described in clause (i) or (ii) of this sentence (including, without limitation, a new announcement, whether or not by the same party, relating to such a transaction or intention or the announcement of a withdrawal from, or the abandonment or discontinuation of, such a transaction or intention), as determined by the Calculation Agent. For the avoidance of doubt, the occurrence of an Announcement Event with respect to any transaction or intention shall not preclude the occurrence of a later Announcement Event with respect to such transaction or intention. For purposes of this definition of "Announcement Event," (A) "Merger Event" shall mean such term as defined under Section 12.1(b) of the Equity Definitions (but, for the avoidance of doubt, the remainder of the definition of "Merger Event" in Section 12.1(b) of the Equity Definitions following the definition of "Reverse Merger" therein shall be disregarded) and (B) "Tender Offer" shall mean such term as defined under Section 12.1(d) of the Equity Definitions.
Nationalization, Insolvency or Delisting:	Cancellation and Payment (Calculation Agent Determination); *provided* that, in addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not

immediately re-listed, re-traded or re-quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors), such exchange or quotation system shall thereafter be deemed to be the Exchange.

Additional Disruption Events:

Change in Law: Applicable; *provided* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i) replacing the word "Shares" with the phrase "Hedge Positions" in clause (X) thereof; (ii) inserting the parenthetical "(including, for the avoidance of doubt and without limitation, adoption or promulgation of new regulations authorized or mandated by existing statute)" at the end of clause (A) thereof; (iii) replacing the phrase "the interpretation" in the third line thereof with the phrase "or announcement of the formal or

informal interpretation"; and (iv) immediately following the word "Transaction" in clause (X) thereof, adding the phrase "in the manner contemplated by the Hedging Party on the Trade Date".

Failure to Deliver: Applicable

Hedging Disruption: Applicable; *provided* that:

(i) Section 12.9(a)(v) of the Equity Definitions is hereby amended by (a) inserting the following words at the end of clause (A) thereof: "in the manner contemplated by the Hedging Party on the Trade Date" and (b) inserting the following at the end of such Section:

"*provided* that any such inability that occurs solely due to the deterioration of the creditworthiness of the Hedging Party shall not be deemed a Hedging Disruption. For the avoidance of doubt, the term "equity price risk" shall be deemed to include, but shall not be limited to, stock price and volatility risk. And, for the further avoidance of doubt, any such transactions or assets referred to in phrases (A) or (B) above must be available on commercially reasonable pricing terms."; and

(ii) Section 12.9(b)(iii) of the Equity Definitions is hereby amended by inserting in the third line thereof, after the words "to terminate the Transaction", the words "or a portion of the Transaction affected by such Hedging Disruption".

Increased Cost of Hedging: Applicable

Hedging Party: For all applicable Additional Disruption Events, Dealer; *provided* that all calculations and determinations by the Hedging Party shall be made in good faith and in a commercially reasonable manner.

Determining Party: For all applicable Extraordinary Events, Dealer; *provided* that all calculations and determinations by the Determining Party shall be made in good faith and in a commercially reasonable manner.

Non-Reliance: Applicable

Agreements and Acknowledgments Regarding Hedging Activities: Applicable

Additional Acknowledgments: Applicable

4. Calculation Agent. Dealer; *provided* that, following the occurrence and during the continuance of an Event of Default with respect to which Dealer is the sole Defaulting Party, and if Dealer fails to perform its duties as the Calculation Agent hereunder, Counterparty shall have the right to designate a nationally recognized independent equity

derivatives dealer to replace Dealer as the Calculation Agent, and the parties shall work in good faith to execute any appropriate documentation required by such replacement Calculation Agent. All calculations, adjustments, specifications, choices and determinations by the Calculation Agent shall be made in good faith and in a commercially reasonable manner.

In the case of any calculation, adjustment or determination by the Determining Party or the Calculation Agent, as the case may be, following any written request from Counterparty, the Determining Party or the Calculation Agent, as the case may be, shall promptly provide to Counterparty a written explanation describing in reasonable detail the basis for such calculation, adjustment or determination (including any quotation, market data or information from internal or external sources used in making such calculation, adjustment or determination), but without disclosing any proprietary or confidential models used by it for such calculation, adjustment or determination or any information that is subject to an obligation not to disclose such information.

5. Account Details.

(a) Account for payments to Counterparty:

Bank:	Citibank NYDDAs
Branch:	Citibank New York
SWIFT:	CITIUS33
ABA:	021000089
Account Name:	Nabors Industries, Inc.
Account Number:	30883326
Address:	111 WALL STREET NEW YORK, NEW YORK 10043 USA

Account for delivery of Shares to Counterparty:

Bank:	Morgan Stanley
DTC:	0015 — Morgan Stanley
Account Name:	Nabors Industries, Inc.
Account Number:	798-133229

(b) Account for payments to Dealer:

Chase Manhattan Bank New York
For A/C Goldman, Sachs & Co.
A/C #930-1-011483
ABA: 021-000021

Account for delivery of Shares from Dealer:

To be separately notified.

6. Offices.

(a) The Office of Counterparty for the Transaction is: Inapplicable, Counterparty is not a Multibranch Party.

(b) The Office of Dealer for the Transaction is: New York.

Goldman, Sachs & Co.
200 West Street
New York, New York 10282-2198

7. Notices.

(a) Address for notices or communications to Counterparty and Parent:

Nabors Industries, Inc.

515 W. Greens Road
Suite 1200, Houston, TX 776067
Attention: General Counsel
Telephone No.: (281) 874-0035
Email: general.counsel@nabors.com

Nabors Industries Ltd.
Crown House, 4 Pon-La Villa Road, Second Floor,
Hamilton, HM08, Bermuda
Attention: Corporate Secretary
Telephone No.: (441) 292-1510
Email: mark.andrews@nabors.com

(b) Address for notices or communications to Dealer:

Goldman, Sachs & Co.
200 West Street
New York, NY 10282-2198
Attention: Simon Watson
Telephone: 1-212-902-2317
Email: simon.watson@gs.com

With a copy to:
Attention: Daniel Josephs
Telephone: 1-212-902-8193
Email: daniel.josephs@gs.com

And email notification to the following address:
Eq-derivs-notifications@am.ibd.gs.com

8. Representations and Warranties of Counterparty and Parent.

Each of Counterparty and Parent hereby represents and warrants to Dealer on the date hereof and on and as of the Premium Payment Date that:

(a) Each of Counterparty and Parent has all necessary corporate power and authority to execute, deliver and perform its obligations in respect of the Transaction; such execution, delivery and performance have been duly authorized by all necessary corporate action on such party's part; and this Confirmation has been duly and validly executed and delivered by each of Counterparty and Parent and constitutes its valid and binding obligation, enforceable against such party in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is

sought in a proceeding at law or in equity) and except that rights to indemnification and contribution hereunder may be limited by federal or state securities laws or public policy relating thereto.

(b) Neither the execution and delivery of this Confirmation nor the incurrence or performance of obligations of either of Counterparty or Parent hereunder will (i) conflict with or result in a breach of the certificate of incorporation or by-laws (or any equivalent documents) of Counterparty or Parent, or (ii) contravene any applicable law or regulation, or any order, writ, injunction or decree of any court or governmental authority or agency, or any agreement or instrument to which Parent or any of its subsidiaries is a party or by which Parent or any of its subsidiaries is bound or to which Parent or any of its subsidiaries is subject, or constitute a default under, or result in the creation of any lien under, any such agreement or instrument except, in the case of this clause (ii), for any such conflict, breach, default or lien that would not, individually or in the aggregate, have a material adverse effect on Counterparty or Parent and their subsidiaries, taken as a whole.

(c) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required in connection with the execution, delivery or performance by Counterparty or Parent of this Confirmation, except such as have been obtained or made and such as may be required under the Securities Act or state securities laws or such that may be required by the NYSE.

(d) Neither Counterparty nor Parent is and, after consummation of the transactions contemplated hereby, neither Counterparty nor Parent will be required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended.

(e) Each of Counterparty and Parent is an "eligible contract participant" (as such term is defined in Section 1a(18) of the Commodity Exchange Act, as amended, other than a person that is an eligible contract participant under Section 1a(18)(C) of the Commodity

Exchange Act).

(f) None of Counterparty, Parent nor their respective affiliates is, on the date hereof, in possession of any material non-public information with respect to Counterparty, Parent or the Shares.

(g) Each of Counterparty's and Parent's filings under the Exchange Act or other applicable securities laws that are required to be filed have been filed and, as of the respective dates thereof and as of the Trade Date, when taken together and considered as a whole, there is no misstatement of material fact contained therein or omission of a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(h) Assuming compliance with the representation and warranties by the Initial Purchasers and each subsequent purchaser, no state or local law, rule, regulation or regulatory order applicable to the Shares would give rise to any reporting, consent, registration or other requirement (including without limitation a requirement to obtain prior approval from any person or entity) as a result of Dealer or its affiliates owning or holding (however defined) Shares.

(i) Each of Counterparty and Parent understands that no obligations of Dealer to Counterparty or Parent, as applicable, hereunder will be entitled to the benefit of deposit insurance and that such obligations will not be guaranteed by any Affiliate of Dealer or any governmental agency.

(j) EACH OF COUNTERPARTY AND PARENT UNDERSTANDS THAT THE TRANSACTION IS SUBJECT TO COMPLEX RISKS THAT MAY ARISE WITHOUT WARNING AND MAY AT TIMES BE VOLATILE AND THAT LOSSES MAY OCCUR QUICKLY AND IN UNANTICIPATED MAGNITUDE AND IS WILLING TO ACCEPT SUCH TERMS AND CONDITIONS AND ASSUME (FINANCIALLY AND OTHERWISE) SUCH RISKS.

(k) Each of Counterparty and Parent (A) is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities; (B) will exercise independent judgment in evaluating the recommendations of any

broker-dealer or its associated persons, unless it has otherwise notified the broker-dealer in writing; and (C) has total assets of at least USD 50 million.

(l) Neither Counterparty nor Parent is as of the Trade Date, and neither Counterparty nor Parent shall be after giving effect to the transactions contemplated hereby, "insolvent" (as such term is defined in Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the "**Bankruptcy Code**")). Each of Counterparty and Parent would be able to purchase a number of Shares equal to the Number of Shares in compliance with the laws of the jurisdiction of Counterparty's incorporation or organization.

(m) Each of Counterparty and Parent has (and shall at all times during the Transaction have) the capacity and authority to invest directly in the Shares underlying the Transaction and has not entered into the Transaction with the intent to avoid any regulatory filings.

(n) Each of Counterparty's and Parent's financial condition is such that it has no need for liquidity with respect to its investment in the Transaction and no need to dispose of any portion thereof to satisfy any existing or contemplated undertaking or indebtedness.

(o) Each of Counterparty's and Parent's investments in and liabilities in respect of the Transaction, which it understands are not readily marketable, are not disproportionate to its net worth, and each of Counterparty and Parent is able to bear any loss in connection with the Transaction, including the loss of its entire investment in the Transaction.

(p) Each of Counterparty and Parent understands, agrees and acknowledges that Dealer has no obligation or intention to register the Transaction under the Securities Act, any state securities law or other applicable federal securities law.

(q) Without limiting the generality of Section 3(a)(iii) of the Agreement, the Transaction will not violate Rule 13e-1 or Rule 13e-4 under the Exchange Act.

9. Other Provisions.

(a) *Opinions*. Counterparty and Parent shall deliver to Dealer one or more opinions of counsel, dated as of the Effective Date, with respect to the matters set forth in Sections 3(a)(i), (ii) and, only with respect to documents and agreements filed as Exhibits to Counterparty's Form 10-K, (iii) of the Agreement; *provided* that any such opinion(s) of counsel may contain customary exceptions and qualifications, including, without limitation, exceptions and qualifications relating to indemnification provisions. Delivery of such opinion(s) to Dealer shall be a condition precedent for the purpose of Section 2(a)(iii) of the Agreement with respect to each obligation of Dealer under Section 2(a)(i) of the Agreement.

(b) *Repurchase Notices*. Parent shall, on any day on which Counterparty and/or Parent effects any repurchase of Shares, promptly give Dealer a written notice of such repurchase (a "**Repurchase Notice**") on such day if following such repurchase, the number

of outstanding Shares as determined on such day is (i) less than 252.6 million (in the case of the first such notice) or (ii) thereafter more than 227.5 million less than the number of Shares included in the immediately preceding Repurchase Notice. Counterparty and Parent jointly and severally agree to indemnify and hold harmless Dealer and its affiliates and their respective officers, directors, employees, affiliates, advisors, agents and controlling persons (each, an "**Indemnified Person**") from and against any and all losses (including losses relating to Dealer's hedging activities as a consequence of becoming, or of the risk of becoming, a Section 16 "insider", including without limitation, any forbearance from hedging activities or cessation of hedging activities and any losses in connection therewith with respect to the Transaction), claims, damages, judgments, liabilities and reasonable expenses (including reasonable attorney's fees), joint or several, which an Indemnified Person may become subject to, as a result of Parent's failure to provide Dealer with a Repurchase Notice on the day and in the manner specified in this paragraph, and to reimburse, within 30 days, upon written request, each of such Indemnified Persons for any reasonable legal or other expenses

incurred in connection with investigating, preparing for, providing testimony or other evidence in connection with or defending any of the foregoing. If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against the Indemnified Person as a result of Parent's failure to provide Dealer with a Repurchase Notice in accordance with this paragraph, such Indemnified Person shall promptly notify Parent in writing, and Counterparty and/or Parent, upon request of the Indemnified Person, shall retain counsel reasonably satisfactory to the Indemnified Person to represent the Indemnified Person and any others Counterparty and/or Parent may designate in such proceeding and shall pay the reasonable fees and expenses of such counsel related to such proceeding. Neither Counterparty nor Parent shall be liable for any settlement of any proceeding contemplated by this paragraph that is effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, Counterparty and Parent jointly and severally agree to indemnify any Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Neither Counterparty nor Parent shall, without the prior written consent of the Indemnified Person (such consent not to be unreasonably withheld, delayed or conditioned), effect any settlement of any pending or threatened proceeding contemplated by this paragraph that is 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 on terms reasonably satisfactory to such Indemnified Person. If the indemnification provided for in this paragraph is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then Counterparty and Parent hereunder, 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. The remedies provided for in this paragraph (b) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity. The indemnity and contribution agreements contained in this paragraph shall remain operative and in full force and effect regardless of the termination of the Transaction.

(c) *Regulation M*. Each of Parent and its subsidiaries is not on the Trade Date engaged in a distribution, as such term is used in Regulation M under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), of any securities of Counterparty, other than a distribution meeting the requirements of the exception set forth in Rules 101(b)(10) and 102(b)(7) of Regulation M. Parent shall not, and shall cause its subsidiaries not to, until the second Scheduled Trading Day immediately following the Effective Date, engage in any such distribution.

(d) *No Manipulation*. Neither Counterparty nor Parent is entering into the Transaction to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for the Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for the Shares) or otherwise in violation of the Exchange Act.

(e) *Transfer or Assignment*.

(i) Either of Counterparty and Parent shall have the right to transfer or assign its rights and obligations hereunder with respect to all, but not less than all, of the Options hereunder (such Options, the "**Transfer Options**"); *provided* that such transfer or assignment shall be subject to reasonable conditions that Dealer may impose, including but not limited, to the following conditions:

(A) With respect to any Transfer Options, neither Counterparty nor Parent shall be released from its notice and indemnification obligations pursuant to Section 9.(b) or any obligations under Section 9.(n) or 9.(s) of this Confirmation;

(B) Any Transfer Options shall only be transferred or assigned to a third party that is a United States person (as defined in the Internal Revenue Code of 1986, as amended);

(C) Such transfer or assignment shall be effected on terms, including any reasonable undertakings by such third party (including, but not limited to, an undertaking with respect to compliance with applicable securities laws in a manner that, in the reasonable judgment of Dealer, will not expose Dealer to material risks under applicable

securities laws) and execution of any reasonable and necessary documentation and delivery of reasonable and customary legal opinions with respect to securities laws and other matters by such third party and Counterparty or Parent, as are reasonably requested and reasonably satisfactory to Dealer;

(D) Dealer will not, as a result of such transfer and assignment and after giving effect thereto, be required to pay the transferee on any payment date an amount under Section 2(d)(i)(4) of the Agreement greater than an amount that Dealer would have been required to pay to Counterparty or Parent in the absence of such transfer and assignment;

(E) An Event of Default, Potential Event of Default or Termination Event with respect to Counterparty will not occur as a result of such transfer and assignment;

(F) Without limiting the generality of clause (B), Counterparty and Parent shall cause the transferee to make such Payee Tax Representations and to provide such tax documentation as may be reasonably requested by Dealer to permit Dealer to determine that results described in clauses (D) and (E) will not occur upon or after such transfer and assignment; and

(G) Each of Counterparty and Parent shall be responsible for all reasonable costs and expenses, including reasonable counsel fees, incurred by Dealer in connection with such transfer or assignment.

(ii) Dealer may (A) without Counterparty's or Parent's consent, transfer or assign all or any part of its rights or obligations under the Transaction to any affiliate of Dealer (1) that has a long-term issuer rating that is equal to or better than Dealer's credit rating at the time of such transfer or assignment, or (2) whose obligations hereunder will be guaranteed, pursuant to the terms of a customary guarantee in a form used by GS Group generally for similar transactions, by GS Group, or (B) in consultation with Counterparty and/or Parent, and with Counterparty's and/or Parent's prior written consent (which consent not to be delayed or unreasonably withheld), transfer or assign all or any part of its rights or obligations under the Transaction to any other third party with a long-term issuer rating equal to or better than the lesser of (1) the credit rating of GS Group at the time of the transfer and (2) A- by Standard and Poor's Rating Group, Inc. or its successor ("**S&P**"), or A3 by Moody's Investor Service, Inc. ("**Moody's**") or, if either S&P or Moody's ceases to rate such debt, at least an equivalent rating or better by a substitute rating agency mutually agreed by Counterparty, Parent and Dealer; *provided* that:

(X) any transfer or assignment described in clause (A) above shall be made to a transferee or assignee that is a "dealer in securities" within the meaning of Section 475(c)(1) of the Code;

(Y) Counterparty will not be required (or, as determined by Dealer in good faith, reasonably expected, as of the date of such transfer or assignment, to pay the transferee or assignee on any payment date an amount under Section 2 (d)(i)(4) of the Agreement greater than the amount, if any, that Counterparty would have been required to pay Dealer in the absence of such transfer or assignment and

(Z) Dealer shall cause the transferee or assignee to make such Payee Tax Representations and to provide such tax documentation as may be reasonably requested

by Counterparty to permit Counterparty to determine that the results described in clause (Y) of this proviso will not occur upon or after such transfer and assignment.

If at any time at which (A) the Section 16 Percentage exceeds 7.5%, (B) the Option Equity Percentage exceeds 14.5%, or (C) the Share Amount exceeds the Applicable Share Limit (if any applies) (any such condition described in clauses (A), (B) or (C), an "**Excess Ownership Position**"), Dealer is unable after using its commercially reasonable efforts to effect a transfer or assignment of Options to a third party on pricing terms reasonably acceptable to Dealer and within a time period reasonably acceptable to Dealer such that no Excess Ownership Position exists, then Dealer may designate any Exchange Business Day as an Early Termination Date with respect to a portion of the Transaction (the "**Terminated Portion**"), such that following such partial termination no Excess Ownership Position exists. In the event that Dealer so designates an Early Termination Date with respect to a portion of the Transaction, a payment shall be made pursuant to Section 6 of the Agreement as if (1) an Early Termination Date had been designated in respect of a Transaction having terms identical to the Transaction and a Number of Options equal to the number of Options underlying the Terminated Portion, (2) Counterparty were the sole Affected Party with respect to such partial termination (except if such an Excess Ownership Position was caused or increased by Dealer's willful misconduct or gross negligence, in which case Dealer shall be deemed to be the sole Affected Party with respect to such partial termination) and (3) the Terminated Portion were the sole Affected Transaction (and, for the avoidance of doubt, the provisions of Section 9.(l) shall apply to any amount that is payable by Dealer to Counterparty pursuant to this sentence as if Counterparty was not the Affected Party). Dealer shall notify Counterparty of an Excess Ownership Position with respect to which it intends to seek a transfer or assignment as soon as reasonably practicable after becoming aware of such an Excess Ownership Position. The "**Section 16 Percentage**" as of any day is the fraction, expressed as a percentage, (A) the numerator of which is the number of Shares that Dealer and any of its affiliates or any other person subject to aggregation with Dealer for purposes of the "beneficial ownership" test under Section 13 of the Exchange Act, or any "group" (within the meaning

of Section 13 of the Exchange Act) of which Dealer is or may be deemed to be a part beneficially owns (within the meaning of Section 13 of the Exchange Act) (collectively, the "**Dealer Group**"), without duplication, on such day (or, to the extent that for any reason the equivalent calculation under Section 16 of the Exchange Act and the rules and regulations thereunder results in a higher number, such higher number) and (B) the denominator of which is the number of Shares outstanding on such day. The "**Option Equity Percentage**" as of any day is the fraction, expressed as a percentage, (A) the numerator of which is the sum of (1) the product of the Number of Options and the Option Entitlement and (2) the aggregate number of Shares underlying any other call option transaction sold by Dealer to Counterparty, and (B) the denominator of which is the number of Shares outstanding. The "**Share Amount**" as of any day is the number of Shares that Dealer, Dealer Group and any person whose ownership position would be aggregated with that of Dealer (Dealer or any such person, a "**Dealer Person**") under any law, rule, regulation, regulatory order or organizational documents or contracts of Counterparty that are, in each case, applicable to ownership of Shares ("**Applicable Restrictions**"), owns, beneficially owns, constructively owns, controls, holds the power to vote or otherwise meets a relevant definition of ownership under any Applicable Restriction, as determined by Dealer in its reasonable discretion. The "**Applicable Share Limit**" means a number of Shares equal to (A) the minimum number of Shares that could give rise to reporting or registration obligations or other requirements (including obtaining prior approval from any person or entity) of a Dealer Person, or could result in an adverse effect on a Dealer Person, under any Applicable Restriction, as determined by Dealer in its reasonable discretion, *minus* (B) 1% of the number of Shares outstanding. Dealer represents and warrants to Parent and Counterparty that, as of the Effective Date, the Section 16 Percentage is not greater than 7%, the Option Equity Percentage is not greater than 7%, and the Share Amount is not greater than 23,351,841.

(iii) Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities, or make or receive any payment in cash, to or from Counterparty and/or Parent, Dealer shall have the right to assign any or all of its rights and obligations under the Transaction to deliver or accept delivery of cash, Shares or Share Termination Delivery Units to any of its Affiliates; *provided* that Counterparty or Parent, as applicable, shall have recourse to Dealer in the event of failure by the assignee to perform any of such obligations hereunder. Notwithstanding the foregoing, the recourse to Dealer shall be limited to recoupment of Counterparty's or Parent's monetary damages and each of Counterparty and Parent hereby waives any right to seek specific performance by Dealer of its obligations hereunder. Such failure after any applicable grace period shall be deemed to be an Additional Termination Event and, with respect to such Additional Termination Event, (A) Dealer shall be deemed to be the sole Affected Party, (B) the Transaction shall be the sole Affected Transaction and (C) Counterparty or Parent, as applicable, shall be the party entitled to designate an Early Termination Date pursuant to Section 6(b) of the Agreement.

(f) *Staggered Settlement*. If upon advice of counsel with respect to applicable legal and regulatory requirements, including any requirements relating to Dealer's hedging activities hereunder, Dealer reasonably determines that it would not be practicable or advisable to deliver, or to acquire Shares to deliver, any or all of the Shares to be delivered by Dealer on any Settlement Date for the Transaction, Dealer may, by notice to Counterparty on or prior to any Settlement Date (a "**Nominal Settlement Date**"), elect to deliver the Shares on two or more dates (each, a "**Staggered Settlement Date**"), but only to the extent commercially reasonably determined by Dealer in good faith, to avoid an Excess Ownership Position as follows:

(i) in such notice, Dealer will specify to Counterparty the related Staggered Settlement Dates (the first of which will be such Nominal Settlement Date and the last of which will be no later than the twentieth (20^{th}) Exchange Business Day following such Nominal Settlement Date) and the number of Shares that it will deliver on each Staggered Settlement Date;

(ii) the aggregate number of Shares that Dealer will deliver to Counterparty hereunder on all such Staggered Settlement Dates will equal the number of Shares that Dealer would otherwise be required to deliver on such Nominal Settlement Date; and

(iii) if the Net Share Settlement terms or the Combination Settlement terms set forth above were to apply on the Nominal Settlement Date, then the Net Share Settlement terms or the Combination Settlement terms, as the case may be, will apply on each Staggered Settlement Date, except that the Shares otherwise deliverable on such Nominal Settlement Date will be allocated among such Staggered Settlement Dates as specified by Dealer in the notice referred to in clause (i) above.

(g) *Jurisdiction*. THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK AND THE UNITED STATES COURT FOR THE SOUTHERN DISTRICT OF NEW YORK IN CONNECTION WITH ALL MATTERS RELATING HERETO AND WAIVE ANY OBJECTION TO THE LAYING OF VENUE IN, AND ANY CLAIM OF INCONVENIENT FORUM WITH RESPECT TO, THESE COURTS.

(h) *Dividends*. If at any time during the period from and including the Effective Date, to but excluding the Expiration Date, an ex-dividend date for a regular quarterly cash dividend occurs with respect to the Shares (an "**Ex-Dividend Date**"), and that dividend differs from the Regular Dividend on a per Share basis, then the Calculation Agent will adjust the Cap Price to preserve the fair value of the Options to Dealer after taking into account such dividend or lack thereof. "**Regular Dividend**" shall mean USD 0.06 per Share per quarterly dividend period of Counterparty. Upon any adjustment to the "Initial Dividend Threshold" (as defined in

the

Indenture) for the Exchangeable Notes pursuant to the Indenture, the Calculation Agent will make a corresponding adjustment to the Regular Dividend for the Transaction.

(i) *Additional Termination Events*.

(i) Notwithstanding anything to the contrary in this Confirmation, upon any Early Exchange in respect of which an Exchange Notice that is effective as to Counterparty has been delivered by the relevant exchanging Holder:

(A) Counterparty shall, within five Scheduled Trading Days of the Exchange Date for such Early Exchange, provide written notice (an "**Early Exchange Notice**") to Dealer specifying the number of Exchangeable Notes surrendered for exchange on such Exchange Date (such Exchangeable Notes, the "**Affected Exchangeable Notes**"), and the giving of such Early Exchange Notice shall constitute an Additional Termination Event as provided in this clause (i);

(B) upon receipt of any such Early Exchange Notice, Dealer shall designate an Exchange Business Day as an Early Termination Date (which Exchange Business Day shall be no earlier than one Scheduled Trading Day following the Exchange Date for such Early Exchange) with respect to the portion of the Transaction corresponding to a number of Options (the "**Affected Number of Options**") equal to the lesser of (x) the number of Affected Exchangeable Notes and (y) the Number of Options as of the Exchange Date for such Early Exchange;

(C) any payment hereunder with respect to such termination shall be calculated pursuant to Section 6 of the Agreement as if (x) an Early Termination Date had been designated in respect of a Transaction having terms identical to the Transaction and a Number of Options equal to the Affected Number of Options, (y) Counterparty were the sole Affected Party with respect to such Additional Termination Event and (z) the terminated portion of the Transaction were the sole Affected Transaction; *provided* that the amount payable with respect to such termination shall not be greater than (1) the Applicable Percentage *multiplied by* (2) the Affected Number of Options, *multiplied by* (3) (x) the sum of (i) the amount of cash paid (if any) and (ii) the number of Shares delivered (if any) to the Holder (as such term is defined in the Indenture) of an Affected Exchangeable Note upon exchange of such Affected Exchangeable Note, *multiplied by* the fair market value of one Share on settlement *minus* (y) USD 1,000;

(D) for the avoidance of doubt, in determining the amount payable in respect of such Affected Transaction pursuant to Section 6 of the Agreement, the Calculation Agent shall assume that (x) the relevant Early Exchange and any exchanges, adjustments, agreements, payments, deliveries or acquisitions by or on behalf of Counterparty leading thereto had not occurred, (y) no adjustments to the Exchange Rate have occurred pursuant to any Excluded Provision and (z) the corresponding Exchangeable Notes remain outstanding; and

(E) the Transaction shall remain in full force and effect, except that, as of the Exchange Date for such Early Exchange, the Number of Options shall be reduced by the Affected Number of Options.

(ii) Notwithstanding anything to the contrary in this Confirmation if an event of default occurs under the terms of the Exchangeable Notes as set forth in Section 6.01 of the Indenture and such event of default results in the Exchangeable Notes becoming or being declared due and payable pursuant to the Indenture, then such event of default shall constitute an Additional Termination Event applicable to the Transaction and, with

respect to such Additional Termination Event, (A) Counterparty shall be deemed to be the sole Affected Party, (B) the Transaction shall be the sole Affected Transaction and (C) Dealer shall be the party entitled to designate an Early Termination Date pursuant to Section 6(b) of the Agreement.

(iii) Notwithstanding anything to the contrary in this Confirmation, the occurrence of an Amendment Event shall constitute an Additional Termination Event applicable to the Transaction and, with respect to such Additional Termination Event, (A) Counterparty shall be deemed to be the sole Affected Party, (B) the Transaction shall be the sole Affected Transaction and (C) Dealer shall be the party entitled to designate an Early Termination Date pursuant to Section 6 (b) of the Agreement. "**Amendment Event**" means that Counterparty and/or Parent amends, modifies, supplements, waives or obtains a waiver in respect of any term of the Indenture or the Exchangeable Notes governing the principal amount, coupon, maturity, repurchase obligation of Counterparty and/or Parent, any term relating to exchange of the Exchangeable Notes (including changes to the exchange rate, exchange rate adjustment provisions, exchange settlement dates or exchange conditions), or any term that would require consent of the holders of not less than 100% of the principal amount of the Exchangeable Notes to amend (other than, in each case, any amendment or supplement (x) pursuant to Section 9.01(m) of the Indenture that, as determined by the Calculation Agent, conforms the Indenture

to the description of Exchangeable Notes in the Offering Memorandum or (y) pursuant to Section 10.05 of the Indenture), in each case, without the consent of Dealer.

(iv) Promptly (but in any event within five Scheduled Trading Days) following any Repurchase Event (as defined below), Counterparty may notify Dealer of such Repurchase Event and the aggregate principal amount of Exchangeable Notes subject to such Repurchase Event (any such notice, an "**Exchangeable Notes Repurchase Notice**"); provided that any such Exchangeable Notes Repurchase Notice shall contain an acknowledgment by Counterparty and Parent of their respective responsibilities under applicable securities laws, and in particular Section 9 and Section 10(b) of the Exchange Act and the rules and regulations thereunder, in respect of such Repurchase Event and the delivery of such Exchangeable Notes Repurchase Notice.

The receipt by Dealer from Counterparty of any Exchangeable Notes Repurchase Notice shall constitute an Additional Termination Event as provided in this Section 9(i)(iv).

Upon receipt of any such Exchangeable Notes Repurchase Notice, Dealer shall designate an Exchange Business Day following receipt of such Exchangeable Notes Repurchase Notice (which Exchange Business Day shall be on or as promptly as reasonably practicable after the related settlement date for the relevant Repurchase Event) as an Early Termination Date with respect to the portion of the Transaction corresponding to a number of Options (the "**Repurchase Options**") equal to the lesser of

(A) the aggregate principal amount of such Exchangeable Notes specified in such Exchangeable Notes Repurchase Notice, divided by USD 1,000; and

(B) the Number of Options as of the date Dealer designates such Early Termination Date;

and, as of such date, the Number of Options shall be reduced by the number of Repurchase Options. Any payment hereunder with respect to such termination (the "Repurchase Unwind Payment") shall be calculated pursuant to Section 6 of the Agreement as if

(1) an Early Termination Date had been designated in respect of a Transaction having terms identical to the Transaction and a Number of Options equal to the number of Repurchase Options;

(2) Counterparty were the sole Affected Party with respect to such Additional Termination Event; and

(3) the terminated portion of the Transaction were the sole Affected Transaction (and, for the avoidance of doubt, the provisions of Section 9(l) shall apply to any amount that is payable by Dealer to Counterparty pursuant to this Section 9(i)(iv) as if Counterparty was not the Affected Party).

"Repurchase Event" means that (i) any Exchangeable Notes are repurchased (whether pursuant to Section 3.01 of the Indenture or otherwise) by Parent or Counterparty or any of their respective subsidiaries, (ii) any Exchangeable Notes are delivered to Parent or Counterparty in exchange for delivery of any property or assets of Parent or Counterparty or any of their respective subsidiaries (howsoever described), (iii) any principal of any of the Exchangeable Notes is repaid prior to the final maturity date of the Exchangeable Notes (other than upon acceleration of the Exchangeable Notes described in Section 9(i)(ii)), or (iv) any Exchangeable Notes are exchanged by or for the benefit of the Holders (as defined in the Indenture) thereof for any other securities of Parent or Counterparty or any of their respective Affiliates (or any other property, or any combination thereof) pursuant to any exchange offer or similar transaction; provided that neither (i) any exchange of Exchangeable Notes pursuant to the terms of the Indenture, nor (ii) any exchange of Exchangeable Notes pursuant to Section 12.01 of the Indenture, shall in either case constitute a Repurchase Event.

(j) *Amendments to Equity Definitions*.

(i) Section 11.2(e)(vii) of the Equity Definitions is hereby amended by deleting the words "a diluting or concentrative" and replacing them with the words "a material" and adding the phrase "or the Options" at the end of the sentence.

(ii) Section 12.6(a)(ii) of the Equity Definitions is hereby amended by (1) deleting from the fourth line thereof the word "or" after the word "official" and inserting a comma therefor, and (2) deleting the semi-colon at the end of subsection (B) thereof and inserting the following words therefor "or (C) the occurrence of any of the events specified in Section 5 (a)(vii) (1) through (9) of the ISDA Master Agreement with respect to that Issuer."

(iii) Section 12.9(b)(i) of the Equity Definitions is hereby amended by (1) replacing "either party may elect" with "Dealer may elect" and (2) replacing "notice to the other party" with "notice to Counterparty" in the first sentence of such section.

(iv) Section 12.9(b)(vi) of the Equity Definitions is hereby amended by (1) adding the word "or" immediately before subsection "(B)", (2) deleting the comma at the end of subsection (A), (3) deleting subsection (C) in its entirety, (4) deleting the word "or" immediately preceding subsection (C) and (5) replacing the words "either party" in the last sentence of such Section with "Dealer".

(k) *No Collateral or Setoff.* Neither party shall have the right to set off any obligation that it may have to the other party under the Transaction against any obligation such other party may have to it, whether arising under the Agreement, this Confirmation or any other agreement between the parties hereto, by operation of law or otherwise.

(l) *Alternative Calculations and Payment on Early Termination and on Certain Extraordinary Events*. If (a) an Early Termination Date (whether as a result of an Event of Default or a Termination Event) occurs or is designated with respect to the Transaction or (b) the Transaction is cancelled or terminated upon the occurrence of an Extraordinary Event (except as a result of (i) a Nationalization, Insolvency or Merger Event in which the consideration to be paid to holders of Shares consists solely of cash, (ii) a Merger Event or Tender Offer that is within Counterparty's control, or (iii) an Event of Default in which Counterparty is the Defaulting Party or a Termination

Event in which Counterparty is the Affected Party other than an Event of Default of the type described in Section 5(a)(iii), (v), (vi), (vii) or (viii) of the Agreement or a Termination Event of the type described in Section 5(b) of the Agreement, in each case that resulted from an event or events outside Counterparty's control), and if Dealer would owe any amount to Counterparty pursuant to Section 6(d)(ii) or 6(e) of the Agreement or any Cancellation Amount pursuant to Article 12 of the Equity Definitions (any such amount, a "**Payment Obligation**"), then Dealer shall satisfy the Payment Obligation by the Share Termination Alternative (as defined below), unless (a) Counterparty gives irrevocable telephonic notice to Dealer, confirmed in writing within one Scheduled Trading Day, no later than 12:00 p.m. (New York City time) on the Merger Date, Tender Offer Date, Announcement Date (in the case of a Nationalization, Insolvency or Delisting), Early Termination Date or date of cancellation, as applicable, of its election that the Share Termination Alternative shall not apply, (b) Counterparty remakes the representation set forth in Section 8.(f) as of the date of such election and (c) Dealer agrees, in its reasonable discretion, to such election, in which case the provisions of Section 12.7 or Section 12.9 of the Equity Definitions, or the provisions of Section 6(d)(ii) or 6(e) of the Agreement, as the case may be, shall apply.

Share Termination Alternative:	If applicable, Dealer shall deliver to Counterparty the Share Termination Delivery Property on, or within a commercially reasonable period of time after, the date when the relevant Payment Obligation would otherwise be due pursuant to Section 12.7 or 12.9 of the Equity Definitions or Section 6(d)(ii) and 6(e) of the Agreement, as applicable, in satisfaction of such Payment Obligation in the manner reasonably requested by Counterparty free of payment.
Share Termination Delivery Property:	A number of Share Termination Delivery Units, as calculated by the Calculation Agent, equal to the Payment Obligation divided by the Share Termination Unit Price. The Calculation Agent shall adjust the Share Termination Delivery Property by replacing any fractional portion of a security therein with an amount of cash equal to the value of such fractional security based on the values used to calculate the Share Termination Unit Price.
Share Termination Unit Price:	The value to Dealer of property contained in one Share Termination Delivery Unit, as determined by the Calculation Agent in good faith and by commercially reasonable means and notified by the Calculation Agent to Dealer at the time of notification of the Payment Obligation. For the avoidance of doubt, the parties agree that in determining the Share Termination Delivery Unit Price the Calculation Agent may consider the purchase price paid in connection with the purchase of Share Termination Delivery Property.
Share Termination Delivery Unit:	One Share or, if the Shares have changed into cash or any other property or the right to receive cash or any other property as the result of a Nationalization, Insolvency or Merger Event (any such cash or other property, the "**Exchange Property**"), a unit consisting of the type and amount of such Exchange Property received by a holder of one Share (without consideration of any requirement to pay cash or other

consideration in lieu of fractional amounts of any securities) in such Nationalization, Insolvency or Merger Event, as determined by the Calculation Agent.

Failure to Deliver:	Applicable
Other applicable provisions:	If Share Termination Alternative is applicable, the provisions of Sections 9.8, 9.9 and 9.11 (as modified above) of the Equity Definitions and the provisions set forth opposite the caption "Representation and Agreement" in Section 2 will be applicable, except that all references in such provisions to "Physically-settled" shall be read as references to "Share Termination Settled" and all references to "Shares" shall be read as references to

"Share Termination Delivery Units". "Share Termination Settled" in relation to the Transaction means that Share Termination Alternative is applicable to the Transaction.

(m) *Waiver of Jury Trial*. Each party waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding relating to the Transaction. Each party (i) certifies that no representative, agent or attorney of either party has represented, expressly or otherwise, that such other party would not, in the event of such a suit, action or proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party have been induced to enter into the Transaction, as applicable, by, among other things, the mutual waivers and certifications provided herein.

(n) *Registration.* Parent hereby agrees that if, in the good faith reasonable judgment of Dealer, the Shares or other Hedge Positions (the "**Hedge Shares**") acquired by Dealer for the purpose of hedging its obligations pursuant to the Transaction cannot be sold in the public market by Dealer without registration under the Securities Act, Parent shall, at its election in its sole and absolute discretion, either (i) in order to allow Dealer to sell the Hedge Shares in a registered offering, make available to Dealer an effective registration statement under the Securities Act and enter into an agreement, in form and substance satisfactory to Dealer, substantially in the form of an underwriting agreement for a registered secondary offering; *provided, however*, that if Dealer, in its sole reasonable discretion, is not satisfied with access to due diligence materials, the results of its due diligence investigation, or the procedures and documentation for the registered offering referred to above, then clause (ii) or clause (iii) of this paragraph shall apply at the election of Parent, (ii) in order to allow Dealer to sell the Hedge Shares in a private placement, enter into a private placement agreement substantially similar to private placement purchase agreements customary for private placements of equity securities, in form and substance satisfactory to Dealer (in which case, the Calculation Agent shall make any adjustments to the terms of the Transaction that are necessary, in its reasonable judgment, to compensate Dealer for any discount from the public market price of the Shares or other Hedge Positions incurred on the sale of Hedge Shares in a private placement), or (iii) purchase the Hedge Shares from Dealer at the Relevant Price on such Exchange Business Days, and in the amounts, requested by Dealer.

(o) *Tax Disclosure*. Effective from the date of commencement of discussions concerning the Transaction, each of Counterparty and Parent and each of their respective employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transaction and all materials of any kind (including opinions or other tax analyses) that are provided to either of Counterparty or Parent relating to such tax treatment and tax structure.

(p) *Right to Extend*. Dealer may postpone or add, in whole or in part, any Valid Day or Valid Days during the Settlement Averaging Period or any other date of valuation, payment or delivery by Dealer, with respect to some or all of the Options hereunder, if Dealer reasonably determines, in its discretion, that such action is reasonably necessary or appropriate to preserve Dealer's hedging or hedge unwind activity hereunder in light of existing liquidity conditions (but only if there is a material decrease in liquidity relative to Dealer's expectations on the Trade Date) or to enable Dealer to effect purchases of Shares or other Hedge Positions in connection with its hedging, hedge unwind or settlement activity hereunder in a manner that would, if Dealer were Parent or an affiliated purchaser of Parent, be in compliance with applicable legal, regulatory or self-regulatory requirements, or with related policies and procedures applicable to Dealer (so long as such policies and procedures would generally be applicable to counterparties similar to Counterparty and transactions similar to the Transaction); *provided* that no such Valid Day or other date of valuation, payment or delivery may be postponed or added more than 20 Valid Days after the original Valid Day or other date of valuation, payment or delivery, as the case may be; *provided further* that in the event of an addition or postponement due to self- regulatory requirement or with related policies and procedures applicable to Dealer, such addition or postponement must be made for a whole day.

(q) *Status of Claims in Bankruptcy*. Dealer acknowledges and agrees that this Confirmation is not intended to convey to Dealer rights against either of Counterparty or Parent with respect to the Transaction that are senior to the claims of common stockholders of Counterparty or Parent, as applicable, in any United States bankruptcy proceedings of Counterparty or Parent, as applicable; *provided* that nothing herein shall limit or shall be deemed to limit Dealer's right to pursue remedies in the event of a breach by either of Counterparty or Parent, as applicable, of its obligations and agreements with respect to the Transaction; *provided, further* that nothing herein shall limit or shall be deemed to limit Dealer's rights in respect of any transactions other than the Transaction.

(r) *Securities Contract; Swap Agreement*. The parties hereto intend for (i) the Transaction to be a "securities contract" and a "swap agreement" as defined in the Bankruptcy Code, and the parties hereto to be entitled to the protections afforded by, among other Sections, Sections 362(b)(6), 362(b)(17), 546(e), 546(g), 555 and 560 of the Bankruptcy Code, (ii) a party's right to liquidate the Transaction and to exercise any other remedies upon the occurrence of any Event of Default under the Agreement with respect to the other party to constitute a "contractual right" as described in the Bankruptcy Code, and (iii) each payment and delivery of cash, securities or other property hereunder to constitute a "margin payment" or "settlement payment" and a "transfer" as defined in the Bankruptcy Code.

(s) *Notice of Certain Other Events*. Each of Counterparty and Parent covenants and agrees that:

(i) promptly following the public announcement of the results of any election by the holders of Shares with respect to the consideration due upon consummation of any Merger Event, Counterparty and/or Parent shall give Dealer written notice of (x) the weighted average of the types and amounts of consideration that holders of Shares have elected to

receive upon consummation of such Merger Event or (y) if no holders of Shares affirmatively make such election, the types and amounts of consideration actually received by holders of Shares (the date of such notification, the "**Consideration Notification Date**"); *provided* that in no event shall the Consideration Notification Date be later than the date on which such Merger Event is consummated; and

(ii) promptly following any adjustment to the Exchangeable Notes in connection with any Potential Adjustment Event, Merger Event or Tender Offer, Counterparty and/or Parent shall give Dealer written notice of the details of such adjustment.

(t) *Designation by Dealer*. Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Counterparty and/or Parent, Dealer may designate any of its affiliates to purchase, sell,

receive or deliver such shares or other securities and otherwise to perform Dealer obligations in respect of the Transaction and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Counterparty and Parent to the extent of any such performance.

(u) *Agreements and Acknowledgements Regarding Hedging*. Each of Counterparty and Parent understands, acknowledges and agrees that: (A) at any time on and prior to the Expiration Date, Dealer and its affiliates may buy or sell Shares or other securities or buy or sell options or futures contracts or enter into swaps or other derivative securities in order to adjust its hedge position with respect to the Transaction; (B) Dealer and its affiliates also may be active in the market for Shares or other securities of the Counterparty other than in connection with hedging activities in relation to the Transaction; (C) Dealer shall make its own determination as to whether, when or in what manner any hedging or market activities in securities of Counterparty shall be conducted and shall do so in a manner that it deems appropriate to hedge its price and market risk with respect to the Relevant Prices; and (D) any market activities of Dealer and its affiliates with respect to Shares may affect the market price and volatility of Shares, as well as the Relevant Prices, each in a manner that may be adverse to Counterparty or Parent.

(v) *Early Unwind*. In the event the sale of the "Purchased Notes" (as defined in the Purchase Agreement dated as of January 9, 2017 between Counterparty, Parent and Citigroup Global Markets Inc. as representative of the Initial Purchasers party thereto (the "**Initial Purchasers**") (the "**Purchase Agreement**")) is not consummated with the Initial Purchasers for any reason, or either Counterparty or Parent fails to deliver to Dealer opinion(s) of counsel as required pursuant to Section 9.(a), in each case by 5:00 p.m. (New York City time) on the Premium Payment Date, or such later date as agreed upon by the parties (the Premium Payment Date or such later date the "**Early Unwind Date**"), the Transaction shall automatically terminate (the "**Early Unwind**"), on the Early Unwind Date and (i) the Transaction and all of the respective rights and obligations of Dealer, Counterparty and Parent under the Transaction shall be cancelled and terminated and (ii) each party shall be released and discharged by the other parties from and agrees not to make any claim against any other party with respect to any obligations or liabilities of any other party arising out of and to be performed in connection with the Transaction either prior to or after the Early Unwind Date; *provided* that Counterparty shall purchase from Dealer on the Early Unwind Date all Shares and other Hedge Positions purchased by Dealer or one or more of its affiliates in connection with the Transaction at the then prevailing market price. Each of Dealer, Counterparty and Parent represents and acknowledges to the other parties that, subject to the proviso included in this Section 9. (v), upon an Early Unwind, all obligations with respect to the Transaction shall be deemed fully and finally discharged.

(w) *Payment by Counterparty*. In the event that, following payment of the Premium, (i) an Early Termination Date occurs or is designated with respect to the Transaction as a result of a Termination Event or an Event of Default (other than an Event of Default arising under Section 5(a)(ii) or 5(a)(iv) of the Agreement) and, as a result, Counterparty owes to Dealer an amount calculated under Section 6(d)(ii) or 6(e) of the Agreement, or (ii) Counterparty owes to Dealer, pursuant to Section 12.7 or Section 12.9 of the Equity Definitions, an amount calculated under Section 12.8 of the Equity Definitions, such amount shall be deemed to be zero.

(x) *Governing Law*. THE AGREEMENT, THIS CONFIRMATION AND ALL MATTERS ARISING IN CONNECTION WITH THE AGREEMENT AND THIS CONFIRMATION SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (WITHOUT REFERENCE TO ITS CHOICE OF LAW DOCTRINE, OTHER THAN TITLE 14 OF THE NEW YORK GENERAL OBLIGATIONS LAW).

(y) *FATCA Carve-out*. The parties agree that the definitions and provisions contained in the ISDA 2012 FATCA Protocol as published by the International Swaps and Derivatives Association, Inc. on August 15, 2012, are incorporated into and apply to the Agreement as if set forth in full herein.

(z) *871(m) Provision*. The parties agree that the definitions and provisions contained in the ISDA 2015 Section 871(m) Protocol, as published by the International Swaps and Derivatives Association, Inc and as may be amended, supplemented, replaced or superseded from time to time (the "**871(m) Protocol**") shall apply to this Agreement as if the parties had adhered to the 871 (m) Protocol as of the effective date of this Agreement. If there is any inconsistency between this provision and a provision in any other agreement executed between the parties, this provision shall prevail unless such other agreement expressly overrides

the provisions of the 871(m) Protocol.

(aa) *Tax Representations and Forms*.

For purposes of Section 3(f) of the Agreement:

Counterparty is a corporation established under the laws of the State of Delaware.

Counterparty is a "U.S. Person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, and its tax identification number is 93-0711613.

Counterparty is "exempt" within the meaning Sections 1.6041-3(p) and 1.6049-4(c) of the United States Treasury Regulations (the "**Regulations**") from information reporting on Form 1099 and backup withholding.

Parent is a corporation established under the laws of Bermuda and is classified as a corporation for U.S. federal income tax purposes.

No income received or to be received under this Agreement will be effectively connected with the conduct of a trade or business by Parent in the United States.

Parent is a "non-U.S. branch of a foreign person" as that term is used in Section 1.1441-4(a)(3)(ii) of the Regulations, and it is a "foreign person" as that term is used in Section 1.6041-4(a)(4) of the Regulations.

For the purpose of Section 4(a) of the Agreement:

Tax forms, documents or certificates to be delivered are:

Party required to deliver document	**Form/Document/ Certificate**	**Date by which to be delivered**
Counterparty	As required under Section 4(a)(i) of the Agreement, IRS Form W-9 or successor form or document prescribed by the IRS from time to time.	Promptly upon execution of the Confirmation; promptly upon learning that any form previously provided by Counterparty has become obsolete or incorrect; and promptly upon reasonable request by the Dealer.
Parent	As required under Section 4(a)(i) of the Agreement, IRS Form W-8BEN-E or any successor form or document prescribed by the IRS from time to time.	Promptly upon execution of the Confirmation; promptly upon learning that any form previously provided by Parent has become obsolete or incorrect; and promptly upon reasonable request by the Dealer.

(bb) Each of Counterparty and Parent understands that notwithstanding any other relationship between itself and Dealer and Dealer's affiliates, in connection with this Transaction and any other over-the-counter derivative transactions between itself and Dealer or Dealer's affiliates, Dealer or its

affiliates is acting as principal and is not a fiduciary or advisor in respect of any such transaction, including any entry, exercise, amendment, unwind or termination thereof.

(cc) Each of Counterparty and Parent represents and warrants that it has received, read and understands the **OTC Options Risk Disclosure Statement** and a copy of the most recent disclosure pamphlet prepared by The Options Clearing Corporation entitled **"Characteristics and Risks of Standardized Options"**.

(dd) Each party acknowledges and agrees to be bound by the Conduct Rules of the Financial Industry Regulatory Authority, Inc. applicable to transactions in options, and further agrees not to violate the position and exercise limits set forth therein.

This Confirmation may be executed in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Counterparty and Parent hereby agree (a) to check this Confirmation and (b) to confirm that the foregoing correctly sets forth the terms of the Transaction by signing in the space provided below and returning to Dealer a facsimile or electronic version of the fully-executed Confirmation at Goldman, Sachs & Co., Equity Derivatives Documentation Department, Facsimile No. (212) 428-1980/83. Originals shall be provided for your execution upon your request. We are very pleased to have executed the Transaction with you and we look forward to completing other transactions with you in the near future.

Very truly yours,

GOLDMAN, SACHS & CO.

By: /s/ Eugene Parloff
Name: Eugene Parloff
Title: Vice President

Accepted and confirmed
as of the Trade Date:

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 Base Capped Call Confirmation]

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Section 5: EX-99.1 (EX-99.1)

Exhibit 99.1

NEWS RELEASE

NABORS ANNOUNCES OFFERING OF EXCHANGEABLE SENIOR UNSECURED NOTES

Hamilton, Bermuda, January 9 2017 — Nabors Industries Ltd. (NYSE: NBR) ("Nabors") announced today that its wholly owned subsidiary, Nabors Industries, Inc. ("NII"), has commenced an offering of $500,000,000 aggregate principal amount of exchangeable senior unsecured notes due 2024 (the "notes"), subject to market and other conditions, through a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). The notes will be fully and unconditionally guaranteed by Nabors.

The notes will accrue interest and be payable semi-annually in arrears. The notes will be exchangeable at the option of the holders during certain specified periods and upon certain specified events in accordance with the terms of the notes. Upon any exchange, NII will settle its exchange obligation in cash, common shares of Nabors, or a combination of cash and common shares of Nabors, at NII's election. The interest rate, exchange rate and other terms of the notes will be determined at the time of pricing of the offering. In addition, NII expects to grant the initial purchasers of the notes a 30-day option to purchase up to an additional $75,000,000 aggregate principal amount of notes, solely to cover overallotments.

In connection with the pricing of the notes, Nabors and NII intend to enter into privately negotiated capped call transactions with one or more of the initial purchasers and/or their affiliates (the "option counterparties"). The capped call transactions will cover, subject to customary anti-dilution adjustments, the number of Nabors' common shares that will initially underlie the notes. The capped call transactions are expected to reduce potential dilution to Nabors' common shares and/or offset potential cash payments Nabors is required to make in excess of the principal amount upon any exchange of notes, with such reduction and/or offset subject to a cap. If the initial purchasers exercise their overallotment option to purchase additional notes, Nabors and NII may enter into additional capped call transactions with the option counterparties.

The net proceeds from the offering will be used to prepay the remaining balance of NII's unsecured term loan, which matures in 2020, as well as to pay the cost of the capped call transaction entered into with respect to Nabors' common shares. Any remaining net proceeds from the offering will be used for general corporate purposes, including to repurchase or repay other indebtedness.

In connection with establishing their initial hedges of the capped call transactions, the option counterparties and/or their affiliates are expected to enter into various derivative transactions with respect to Nabors' common shares and/or purchase Nabors' common shares or other of Nabors' securities in secondary market transactions concurrently with or shortly after the pricing of the notes, including with certain investors in the notes.

These activities could have the effect of increasing, or reducing the size of any decline in, the market price of Nabors' common shares or the notes at that time.

In addition, the option counterparties have advised Nabors and NII that the option counterparties and/or their affiliates may modify their hedge positions by entering into or unwinding various derivative transactions with respect to Nabors' common shares and/or by purchasing or selling Nabors' common shares or other securities of Nabors in secondary market transactions prior to the maturity of the notes (and are likely to do so during any observation period related to an exchange of notes).

The notes, the guarantee and Nabors' common shares issuable upon the exchange of the notes, if any, will not be and have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the notes or any other securities of Nabors or NII, nor shall there be any offer, solicitation or sale of the notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful.

The information above includes forward-looking statements within the meaning of the Securities Act and the Securities Exchange Act of 1934, as amended. Such forward-looking statements are subject to certain risks and uncertainties, as disclosed by Nabors from time to time in its filings with the Securities and Exchange Commission. As a result of these factors, Nabors' actual results may differ materially from those indicated or implied by such forward-looking statements. Nabors does not undertake to update these forward-looking statements.

For further information regarding Nabors, please contact Dennis A. Smith, Vice President of Corporate Development & Investor Relations, at 281-775-8038. To request investor materials, contact Nabors' corporate headquarters in Hamilton, Bermuda at 441-292-1510 or via email at mark.andrews@nabors.com.

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Section 6: EX-99.2 (EX-99.2)

Exhibit 99.2

NEWS RELEASE

NABORS PRICES $500,000,000 IN EXCHANGEABLE SENIOR UNSECURED DEBT OFFERING

HAMILTON, Bermuda, January 10, 2017 /PRNewswire/ — Nabors Industries Ltd. (NYSE: NBR) ("Nabors") announced today that its wholly owned subsidiary, Nabors Industries, Inc. ("NII"), has priced $500,000,000 in aggregate principal amount of its 0.75% exchangeable senior unsecured notes due 2024 (the "notes"), through a private offering to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"). The notes will be fully and unconditionally guaranteed by Nabors. The offering of the notes is expected to close on January 13, 2017, subject to customary closing conditions.

NII granted the initial purchasers a 30-day option to purchase up to an additional $75,000,000 in aggregate principal amount of the notes on the same terms and conditions, solely to cover over-allotments, if any.

The notes will bear interest at a rate of 0.75% per year until maturity (unless earlier repurchased, redeemed or exchanged), payable semi-annually in arrears on January 15 and July 15 of each year, beginning on July 15, 2017. The notes will be exchangeable, under certain conditions, at an initial exchange rate of 39.7488 common shares of Nabors per $1,000 principal amount of notes (equivalent to an initial exchange price of approximately $25.16 per common share), subject to adjustment, which represents an approximately 40.0% exchange premium over the last reported sale price of $17.97 per common share of Nabors on The New York Stock Exchange on January 9, 2017. Upon any exchange, NII will settle its exchange obligation in cash, common shares of Nabors, or a combination of cash and common shares of Nabors, at NII's election.

In connection with the pricing of the notes, Nabors and NII entered into privately negotiated capped call transactions with one or more of the initial purchasers and/or their affiliates (the "option counterparties"). The capped call transactions cover, subject to customary anti-dilution adjustments, the number of Nabors' common shares that will initially underlie the notes. The capped call transactions are expected to reduce potential dilution to Nabors' common shares and/or offset potential cash payments Nabors is required to make in excess of the principal amount upon any exchange of notes. Such reduction and/or offset is subject to a cap representing a price per share of $31.4475, an approximately 75.0% premium over the last reported sale price of $17.97 per common share of Nabors on The New York Stock Exchange on January 9, 2017. If the initial purchasers exercise their option to purchase additional notes, Nabors and NII may enter into additional capped call transactions with the option counterparties.

The net proceeds from the offering will be used to prepay the remaining balance of NII's unsecured term loan, which matures in 2020, as well as to pay the cost of the capped call transaction entered into with respect to Nabors' common shares. Any remaining net proceeds from the offering will

be used for general corporate purposes, including to repurchase or repay other indebtedness.

In connection with establishing their initial hedges of the capped call transactions, the option counterparties and/or their affiliates are expected to enter into various derivative transactions with respect to Nabors' common shares and/or purchase Nabors' common shares or other of Nabors' securities in secondary market transactions concurrently with or shortly after the pricing of the notes, including with certain investors in the notes. These activities could have the effect of increasing, or reducing the size of any decline in, the market price of Nabors' common shares or the notes at that time.

In addition, the option counterparties have advised Nabors and NII that the option counterparties and/or their affiliates may modify their hedge positions by entering into or unwinding various derivative transactions with respect to Nabors' common shares and/or by purchasing or selling Nabors' common shares or other securities in secondary market transactions prior to the maturity of the notes (and are likely to do so during any observation period related to an exchange of notes).

The notes, the guarantee and Nabors' common shares issuable upon the exchange of the notes, if any, will not be and have not been registered under the Securities Act, as amended, or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the notes or any other securities of Nabors or NII, nor shall there be any offer, solicitation or sale of the notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful.

The information above includes forward-looking statements within the meaning of the Securities Act and the Securities Exchange Act of 1934, as amended. Such forward-looking statements are subject to certain risks and uncertainties, as disclosed by Nabors from time to time in its filings with the Securities and Exchange Commission. As a result of these factors, Nabors' actual results may differ materially from those indicated or implied by such forward-looking statements. Nabors does not undertake to update these forward-looking statements.

For further information regarding Nabors, please contact Dennis A. Smith, Vice President of Corporate Development & Investor Relations, at 281-775-8038. To request investor materials, contact Nabors' corporate headquarters in Hamilton, Bermuda at 441-292-1510 or via email at mark.andrews@nabors.com.

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