

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

In re:	)	Chapter 11
SEADRILL LIMITED, <i>et al.</i> , <sup>1</sup>	)	Case No. 21-30427 (DRJ)
Debtors.	)	(Jointly Administered)
	)	

**DEBTORS’ MOTION FOR ENTRY  
OF AN ORDER (I) AUTHORIZING ENTRY INTO THE BACKSTOP  
COMMITMENT LETTER, (II) APPROVING THE PAYMENT OF FEES  
AND EXPENSES RELATED THERETO, AND (III) GRANTING RELATED RELIEF**

A hearing will be conducted on this matter on September 2, 2021 at 9:00 a.m. (prevailing Central Time) in Courtroom 400, 4th floor, 515 Rusk, Houston, Texas 77002. You may participate in the hearing either in person or by audio/video connection.

Audio communication will be by use of the Court’s dial-in facility. You may access the facility at (832) 917-1510. You will be responsible for your own long-distance charges. Once connected, you will be asked to enter the conference room number. Judge Jones’s conference room number is 205691.

You may view video via GoToMeeting. To use GoToMeeting, the Court recommends that you download the free GoToMeeting application. To connect, you should enter the meeting code “JudgeJones” in the GoToMeeting app or click the link on Judge Jones’s home page on the Southern District of Texas website. Once connected, click the settings icon in the upper right corner and enter your name under the personal information setting.

Hearing appearances must be made electronically in advance of the hearing. To make your electronic appearance, go to the Southern District of Texas website and select “Bankruptcy Court” from the top menu. Select “Judges’ Procedures,” then “View Home Page” for Judge Jones. Under “Electronic Appearance” select “Click here to submit Electronic Appearance”. Select the case name, complete the required fields and click “Submit” to complete your appearance.

If you object to the relief requested, you must respond in writing. Unless otherwise directed by the Court, you must file your response electronically at <https://ecf.txsb.uscourts.gov> within twenty-eight days from the date this motion was filed. Otherwise, the court may treat the pleading as unopposed and grant the relief requested.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) state as follows in support of this motion (this “Motion”):

<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <http://cases.primeclerk.com/SeadrillLimited>. The location of Debtor Seadrill Americas, Inc.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 11025 Equity Drive, Suite 150, Houston, Texas 77041.

### **Relief Requested**

1. The Debtors seek entry of an order, substantially in the form attached hereto (the “Order”), (a) authorizing entry into the Backstop Commitment Letter, (b) approving the payment of fees and expenses related thereto, and (c) granting related relief.

### **Jurisdiction and Venue**

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors confirm their consent to the entry of a final order on this Motion by the Court.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The statutory bases for the relief requested herein are sections 105(a) and 363(b) of title 11 of the United States Code (the “Bankruptcy Code”), rule 2002 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 2002-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

### **Background**

5. On February 7, 2021, Asia Offshore Drilling Limited and four affiliated Debtors (the “AOD Debtors”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. On February 10, 2021 (the “Petition Date”), Seadrill Limited and the remaining above-captioned Debtors (the “Seadrill Limited Debtors”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.<sup>2</sup> A detailed description of the facts and circumstances

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<sup>2</sup> The chapter 11 cases of the AOD Debtors and the Seadrill Limited Debtors are jointly administered under the above-captioned chapter 11 cases. On December 1, 2020, Seadrill Partners LLC (“Seadrill Partners”) and 28 affiliated debtors and debtors in possession commenced chapter 11 cases in this Court, which are jointly administered under the case caption *In re Seadrill Partners LLC*, No. 20-35740 (Bankr. S.D. Tex.) (collectively, the “Seadrill Partners Cases”). The Debtors do not intend to seek joint administration of these chapter 11 cases with the Seadrill Partners Cases.

of these chapter 11 cases is set forth in the *Declaration of Grant Creed, Chief Restructuring Officer of Seadrill Limited, in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 41] (the “First Day Declaration”), filed on February 11, 2021, and incorporated by reference herein.

6. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On February 11, 2021, the Court entered an order [Docket No. 27] authorizing procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b) and Bankruptcy Local Rule 1015-1. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

**The Backstop Commitment Letter and the Commitment Premium**

7. As discussed in greater detail in the First Day Declaration and the Disclosure Statement, the Debtors, with the assistance of their advisors, engaged in active negotiations with creditors across their capital structure, including the CoCom and the Ad Hoc Group, for the better part of 2020 and into 2021. Following the Petition Date, the Debtors continued discussions with their constituents to, among other things, agree on the terms of a comprehensive restructuring. Ultimately, after months of good faith, arm’s length negotiations, the Debtors and members of the CoCom and the Ad Hoc Group have agreed to the consensual restructuring embodied in the plan support and lock-up agreement (the “Plan Support Agreement”) and the Plan.<sup>3</sup>

8. The Restructuring Transactions set out in the Plan Support Agreement and the Plan provide for the reorganization of the Debtors as a going concern with a deleveraged capital structure and sufficient liquidity to fund the Debtors’ post-emergence business plan. The

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<sup>3</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Backstop Commitment Letter, the Plan Support Agreement, or the *Joint Chapter 11 Plan of Reorganization of Seadrill Limited and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “Plan”), as applicable.

Restructuring Transactions include, among other things, entry into a single-silo exit facility, consisting of \$300 million of first-lien, new-money debt (the “New First Lien Facility”) and the issuance of \$750 million of second-lien, takeback debt. The opportunity to participate in the New First Lien Facility will be offered to holders of Credit Agreement Claims pursuant to the Rights Offering, pursuant to which each holder of a Credit Agreement Claim will be afforded the right to join as a lender under (a) the \$125 million Revolving Credit Facility and extend credit to the Reorganized Debtors on and after the Effective Date in the form of revolving loans and (b) the \$175 million Term Loan Facility and extend credit to the Reorganized Debtors on the Effective Date. To ensure the success of the Rights Offering, which will provide the Reorganized Debtors with the liquidity they need to fund payments under the Plan and execute their business plan post-emergence, certain holders of Credit Agreement Claims who are parties to the Backstop Commitment Letter (collectively, the “Backstop Parties”) have agreed to fully backstop the Rights Offering on the terms set forth in the Backstop Commitment Letter, attached hereto as **Exhibit A** (the “Backstop Commitment Letter”).

9. As consideration for their agreement to backstop the Rights Offering, the Backstop Parties will receive, among other things, a premium payable in cash (the “Commitment Premium”) and reimbursement of reasonable fees and expenses on the terms set forth in the Backstop Commitment Letter (the “Expense Reimbursement”). The Commitment Premium and Expense Reimbursement are payable to the Backstop Parties in consideration for the Backstop Commitment and the other agreements of the Backstop Parties in the Backstop Commitment Letter.

10. The Commitment Premium is a cash premium equal to 7.5% of the \$300 million in total commitments under the New First Lien Facility that the Backstop Parties have agreed to backstop. The Commitment Premium shall be fully earned by the Backstop Parties upon the entry of the Order and shall be paid in cash by the Debtors promptly (and in any case within

one (1) Business Day) following the entry of the Order. For the avoidance of doubt, the Commitment Premium (a) will be nonrefundable and non-avoidable when paid (except as otherwise set forth in the Backstop Commitment Letter), (b) will be payable as provided in the Backstop Commitment Letter, irrespective of the amount of the Closing Loan actually funded as a result of the Backstop Commitment, and (c) shall be treated, for United States federal income tax purposes, as paid in exchange for the issuance of a put right with respect to the uncommitted amount under the Revolving Credit Facility and the Term Loan Facility.

11. The Expense Reimbursement requires the Debtors or Reorganized Debtors, as applicable, to pay all unpaid and/or unreimbursed reasonable and documented fees and expenses of the Backstop Parties on the terms set forth in the Backstop Commitment Letter, incurred in connection with the negotiation, preparation, and implementation of the Backstop Commitment and the Rights Offering, regardless of whether the transactions contemplated by the Backstop Commitment Letter are consummated.

12. The Backstop Commitment Letter requires the Debtors to indemnify and hold harmless the Backstop Parties from and against any and all losses, claims, litigation, damages, liabilities, and expenses that the Backstop Parties may incur arising out of the Backstop Commitment Letter, the Plan, the Rights Offering, and all other documents effectuating the Restructuring Transactions (the “Indemnification Obligations”). The Indemnification Obligations apply regardless of any termination of the Backstop Commitment Letter or related transactions.

13. The provisions for the payment of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations are an integral part of the transactions contemplated by the Backstop Commitment Letter and, without these provisions, the Backstop Parties would not have entered into the Backstop Commitment Letter. The proposed Order provides that the Commitment Premium, Expense Reimbursement, and Indemnification

Obligations shall constitute allowed administrative expenses of the Debtors' estates under sections 503(b) and 507 of the Bankruptcy Code, and shall not be subject to setoff, recharacterization, avoidance, or disallowance.

14. The following table summarizes the Commitment Premium, the Expense Reimbursement, the Indemnification Obligations, and certain other material terms of the Backstop Commitment Letter:

<b>Summary of Principal Terms of the Backstop Commitment Letter<sup>4</sup></b>	
<p><b>Backstop Commitment</b> See Backstop Commitment Letter § 2.</p>	<p>On and subject to the terms and conditions of the Backstop Commitment Letter, including the conditions set forth in <u>Section 8</u> of the Backstop Commitment Letter, each Backstop Party listed in Part II of Schedule I attached to the Backstop Commitment Letter agrees, severally and not jointly:</p> <p>a. to join as a lender, on the Restructuring Effective Date, and extend credit under the Revolving Credit Facility on and after the Restructuring Effective Date in the amount equal to the portion of the Revolving Credit Facility, if any, not fully committed in the Rights Offering by the Rights Offering Participants in accordance with the Rights Offering Procedures (the "<u>Uncommitted Revolver Amount</u>") multiplied by the percentage set forth beside such Backstop Party's name on Part II of Schedule I to the Backstop Commitment Letter;</p> <p>b. to join as a lender, on the Restructuring Effective Date, and extend credit under the Term Loan Facility on the Restructuring Effective Date in the amount equal to the portion of the Term Loan Facility, if any, not fully committed in the Rights Offering by the Rights Offering Participants in accordance with the Rights Offering Procedures (the "<u>Uncommitted Term Loan Amount</u>") multiplied by the percentage set forth beside such Backstop Party's name on Part II of Schedule I to the Backstop Commitment Letter, and fully fund (or procure its designated affiliates, Related Funds or Delegates to fund) all amounts owed thereunder by such Backstop Party in accordance with <u>Section 2</u> and <u>Section 4</u> of the Backstop Commitment Letter (<u>Sections 2(a)</u> and <u>2(b)</u> of the Backstop Commitment Letter together, the "<u>Backstop Commitment</u>");</p> <p>c. that the New Shares issued to the Backstop Parties and any Replacement Shares issued to any Cover Person pursuant to the Backstop Commitment Letter will be issued in reliance on the exemption from registration under the Securities Act provided in Section 1145 of the Bankruptcy Code to the maximum extent possible, <u>provided</u> that, to the extent the exemption under Section 1145 of the Bankruptcy Code is unavailable with respect to the New Shares or Replacement Shares issued in respect of such Backstop Parties' or Cover Persons' respective Backstop Commitment, such New Shares or Replacement Shares will be issued in reliance on the exemption provided by Regulation S or Section 4(a)(2) of the Securities Act,</p>

<sup>4</sup> This summary is provided for the Court's convenience and is subject in all respects to the terms of the Backstop Commitment Letter. In the event of any inconsistency or conflict between the terms of this summary and the Backstop Commitment Letter, the terms of the Backstop Commitment Letter shall control. All terms capitalized but not defined herein shall have the meanings ascribed to them in the Backstop Commitment Letter.

	<p>and/or Regulation D promulgated thereunder, and the Plan and the Disclosure Statement shall each include a statement to such effect; and</p> <p>d. that each of the Parties to the Backstop Commitment Letter agrees that, for United States federal income tax purposes, the BP Participation Equity shall be treated as part of an investment unit with the New Credit Facilities held by each Backstop Party and the amount paid in respect of the New Credit Facilities shall be allocated between the New Credit Facilities and the BP Participation Equity for United States federal income tax purposes in accordance with Treasury Regulations Section 1.1273-2(h).</p>
<p><b>Commitment Premium</b> See Backstop Commitment Letter § 10.</p>	<p>As consideration for the Backstop Commitment of each Backstop Party and the other agreements of the Backstop Parties in the Backstop Commitment Letter, the Debtors shall pay or cause to be paid to each Backstop Party its share of a premium (the “<u>Commitment Premium</u>”) equal to 7.5% of the \$300 million in total commitments under the New Credit Facilities (calculated by multiplying the total Commitment Premium by the percentage set forth beside such Backstop Party’s name in Part I of Schedule I attached to the Backstop Commitment Letter), which Commitment Premium shall be fully earned by the Backstop Parties and paid in cash by the Debtors promptly (and in any case within one (1) Business Day) following the entry of the Approval Order by the Bankruptcy Court.</p> <p>The provisions for the payment of the Commitment Premium are an integral part of the transactions contemplated by the Backstop Commitment Letter and without these provisions the Backstop Parties would not have entered into the Backstop Commitment Letter, and the Commitment Premium shall constitute an allowed administrative expense of the Debtors’ estates under Sections 503(b) and 507 of the Bankruptcy Code, and shall not be subject to set-off, recharacterization, avoidance, or disallowance.</p> <p>The Commitment Premium shall be fully earned, nonrefundable and non-avoidable upon the entry of the Approval Order by the Bankruptcy Court in accordance with <u>Section 10(a)</u> of the Backstop Commitment Letter. For the avoidance of doubt, the Commitment Premium (a) will be nonrefundable and non-avoidable when paid (except as set forth in <u>Section 3(b)</u> of the Backstop Commitment Letter) and (b) will be payable as provided in the Backstop Commitment Letter, irrespective of the amount of the Closing Loan actually funded as a result of the Backstop Commitment.</p> <p>Each of the Parties to the Backstop Commitment Letter agrees that, for United States federal income tax purposes, (i) the Commitment Premium shall be treated as paid in exchange for the issuance of a put right with respect to the Uncommitted Revolver Amount and the Uncommitted Term Loan Amount, and (ii) the Commitment Premium shall not be treated as paid in respect of any Claim against any Debtor.</p>
<p><b>Expense Reimbursement</b> See Backstop Commitment Letter § 11.</p>	<p>Whether or not the transactions contemplated under the Backstop Commitment Letter are consummated, the Debtors agree to pay the documented, reasonable third-party fees and expenses of each Backstop Party, including the reasonable and documented fees and expenses of counsel and other professionals retained by such Backstop Party, that have been and are incurred in connection with the negotiation, preparation and implementation of the Backstop Commitment and the Rights Offering, the Backstop Parties’ negotiation, preparation, and implementation of the Backstop Commitment Letter (including the Backstop Commitment and the other transactions contemplated thereby), the Registration Rights Agreement, the Plan, the Chapter 11 Cases, the Definitive Documents, and the other agreements contemplated thereby and by the Backstop Commitment Letter and all other definitive documents necessary to consummate the restructuring contemplated in the PSA (collectively, the “<u>Restructuring Documents</u>”), including, but not limited to, the fees and expenses (and retainers) of Weil, Gotshal &amp; Manges LLP, Lazard Ltd., White &amp; Case LLP,</p>



	<p>and Moelis &amp; Company in accordance with the terms of their respective engagement letters (the “<u>Expense Reimbursement</u>”). The Debtors shall pay the Expense Reimbursement on a current basis notwithstanding anything to the contrary in the <i>Final Order (I) Authorizing the Use of the Debtors’ Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief</i> [ECF No. 253] and the <i>Order (I) Authorizing the Continued Use of Cash Collateral and (II) Granting Related Relief</i> [ECF No. 671], as amended or extended from time to time (the “<u>Cash Collateral Order</u>”). For the avoidance of doubt, if the Cash Collateral Order is terminated or modified to no longer provide for the payment of the fees and expenses of the Ad Hoc Group and CoCom, the Debtors shall remain obligated to pay all Expense Reimbursement obligations under the Backstop Commitment Letter without the need for further authorization from the Bankruptcy Court. The Debtors shall request that the Confirmation Order authorize payment of any remaining unpaid Expense Reimbursement on the Restructuring Effective Date and the Closing shall be conditioned on the Debtors’ payment of any Expense Reimbursement invoiced to the Debtors at least one (1) Business Day prior to Closing. The Debtors shall provide copies of any Expense Reimbursement invoices to the advisors to the CoCom and the Ad Hoc Group within 24 hours of receipt thereof. All Expense Reimbursement obligations shall constitute allowed administrative expenses of the Debtors under Sections 503(b) and 507 of the Bankruptcy Code and shall not be subject to set-off, recharacterization, avoidance, or disallowance.</p>
<p><b>Indemnification</b> See Backstop Commitment Letter § 12.</p>	<p>Whether or not the transactions contemplated by the Backstop Commitment Letter are consummated, the Debtors jointly and severally agree to (i) indemnify and hold harmless the Backstop Parties, their affiliates, and their and their affiliates’ respective directors, officers, employees, affiliates, equity holders, members, partners, general partners, managers, any funds, accounts, or investment vehicles that are controlled, managed, advised, or subadvised by any such Backstop Party or any investment manager or advisor that controls, manages, advises, or subadvises any such Backstop Party (each, a “<u>Related Fund</u>”), Delegates, and any other representative or controlling Person of each such entity (each, an “<u>Indemnified Person</u>”) from and against any and all losses, claims, litigation, damages, liabilities, and expenses (“<u>Losses</u>”) that any such Person, joint or several, may incur, become subject, have asserted against it, or be involved in as a result of or arising out of the Backstop Commitment Letter (including the proposed Backstop Commitment contemplated thereby or the Commitment Premium), the Plan, the matters and transactions contemplated thereby or by the Backstop Commitment Letter (including the Rights Offering), the use of proceeds thereunder or any claim, litigation, investigation or proceeding (each, an “<u>Action</u>”) relating to any of the foregoing, regardless of whether any of such Indemnified Persons is a party thereto, and regardless of which Person brought the applicable Action; and (ii) reimburse each Indemnified Person upon demand for reasonable documented (subject to redaction to preserve attorney client and work product privileges) out-of-pocket legal or other third-party expenses incurred in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any lawsuit, investigation, claim or other proceeding relating to any of the foregoing (including in connection with the enforcement of the indemnification obligations set forth in the Backstop Commitment Letter), irrespective of whether or not the transactions contemplated by the Backstop Commitment Letter or the Plan are consummated or whether or not the Backstop Commitment Letter is terminated (each, an “<u>Indemnified Claim</u>”); <u>provided</u> that the foregoing indemnity will not, as to any Indemnified Person, apply to Losses (including any Losses that may be incurred as a result of entry into the New Credit Facilities or as a holder of the New Shares) (i) of a Defaulting Backstop Commitment Party or its Related Funds or any Indemnified Person related thereto, or (ii) to the</p>



extent they are found by a final, non-appealable judgment of a court of competent jurisdiction (x) to arise from, with respect to such indemnity obligations of all of the Debtors, the fraud, bad faith, or willful misconduct of such Indemnified Person or (y) to arise from, with respect to such indemnity obligations of the Company, the dishonesty (as each term is defined under Bermuda Law) of such Indemnified Person.

Notwithstanding any other provision of the Backstop Commitment Letter, no Party shall be liable for any special, indirect, or punitive damages for a breach of its obligations under the Backstop Commitment Letter, except to the extent (i) arising from a third-party claim or (ii) such damages were reasonably foreseeable and are recoverable under applicable contract law. The terms set forth in Section 12 of the Backstop Commitment Letter shall survive termination of the Backstop Commitment Letter and shall remain in full force and effect regardless of whether the documentation for the transactions contemplated by the Backstop Commitment Letter are executed and delivered.

In case any such Indemnified Claims are brought against any Indemnified Person and it notifies the Debtors of the commencement thereof, the Debtors will be entitled to participate therein and, to the extent that it may elect by written notice delivered to such Indemnified Person, to assume the defense thereof, with counsel reasonably acceptable to such Indemnified Person; provided that, if the parties (including any impleaded parties) to any such Indemnified Claims include both such Indemnified Person and the Debtors and based on advice of such Indemnified Person's counsel there are legal defenses available to such Indemnified Person that are different from or additional to those available to the Debtors, such Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such Indemnified Claims. Upon receipt of notice from the Debtors to such Indemnified Person of its election to so assume the defense of such Indemnified Claims with counsel reasonably acceptable to the Indemnified Person, the Debtors shall not be liable to such Indemnified Person for expenses incurred by such Indemnified Person in connection with the defense thereof (other than reasonable costs of investigation) unless (i) such Indemnified Person shall have employed separate counsel (in addition to any local counsel) in connection with the assertion of legal defenses in accordance with the proviso to the immediately preceding sentence (it being understood, however, that the Debtors shall not be liable for the expenses of more than one separate counsel representing the Indemnified Persons who are parties to such Indemnified Claims (in addition to one local counsel in each jurisdiction in which local counsel is required) and that all such expenses shall be reimbursed as they occur), (ii) the Debtors shall not have employed counsel reasonably acceptable to such Indemnified Person to represent such Indemnified Person within a reasonable time after notice of commencement of the Indemnified Claims, (iii) after the Debtors assume the defense of the Indemnified Claims, the Indemnified Person determines in good faith that the Debtors have failed or are failing to defend such Action and provides written notice of such determination and the basis for such determination and such failure is not reasonably cured within ten (10) Business Days of receipt of such notice, or (iv) the Debtors shall have authorized in writing the employment of counsel for such Indemnified Person. Notwithstanding anything in the Backstop Commitment Letter to the contrary, the Debtors shall have sole control over any tax controversy or tax audit and shall be permitted to settle any liability for taxes of the Debtors.

The Debtors shall not be liable for any settlement of any Indemnified Claims effected without their written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). If any settlement of any Indemnified Claims is consummated with the written consent of the Debtors or if there is a final judgment for the plaintiff in any such Indemnified Claims, the Debtors agree to indemnify and hold harmless each Indemnified Person from and against any and all Losses by

	<p>reason of such settlement or judgment to the extent such Losses are otherwise subject to indemnification by the Debtors under the Backstop Commitment Letter, in accordance with, and subject to the limitations of, the Backstop Commitment Letter. The Debtors shall not, without the prior written consent of an Indemnified Person (which consent shall be granted or withheld, conditioned, or delayed in the Indemnified Person's sole discretion), effect any settlement of any pending or threatened Indemnified Claims in respect of which indemnity or contribution has been sought under the Backstop Commitment Letter by such Indemnified Person unless (i) such settlement includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability on the claims that are the subject matter of such Indemnified Claims and (ii) such settlement does not include any statement as to or any admission of fault, culpability, or a failure to act by or on behalf of any Indemnified Person.</p> <p>Except with respect to the terms of the Backstop Commitment Letter that are to be performed after the Restructuring Effective Date (including the obligations under <u>Section 12</u> of the Backstop Commitment Letter), the terms of the Backstop Commitment Letter shall not survive the Restructuring Effective Date. The obligations of the Debtors to satisfy their indemnification obligations as set forth in the Backstop Commitment Letter, and the Backstop Parties' rights in respect thereof, shall survive the termination of any Backstop Commitment or the Backstop Commitment Letter.</p>
<p><b>Termination</b> See Backstop Commitment Letter § 13.</p>	<p>The Backstop Commitment Letter may be terminated by mutual written agreement of the Required Backstop Parties and the Company, or by written notice provided by (x) the Required Backstop Parties to the Company with respect to those matters set forth in (i), (ii), (iii), (iv), (v), (vii), and (viii) of <u>Section 13</u> of the Backstop Commitment Letter and (y) the Company to the Required Backstop Parties with respect to those matters set forth in (ii), (vi), and (ix) of <u>Section 13</u> of the Backstop Commitment Letter:</p> <ul style="list-style-type: none"> <li>(i) the Debtors have failed to make payment of the Commitment Premium to the Backstop Parties in cash before 5:00 p.m. (New York time) on the date that is three (3) Business Days following the date of entry of the Approval Order by the Bankruptcy Court authorizing payment by the Debtors of the Commitment Premium;</li> <li>(ii) any applicable Law or final and non-appealable order shall have been enacted, adopted or issued by any Governmental Authority that prohibits the implementation of the Plan, the Rights Offering or the transactions contemplated by the Backstop Commitment Letter;</li> <li>(iii) there is a material breach by any Debtor of any of its obligations under the Backstop Commitment Letter, that remains uncured until the earlier of (x) ten (10) Business Days following the earlier of (i) any Debtor becoming aware of such breach and (ii) receipt of written notice (which may include through electronic means) of such breach by the Required Backstop Parties and (y) one (1) Business Day prior to the Outside Date;</li> <li>(iv) (x) any Definitive Document (other than the New Credit Facilities Documentation and the Description of Transaction Steps) is executed or filed by a Debtor that includes terms (by amendment or otherwise) that are inconsistent in any material respect with the Backstop Commitment Letter or the PSA (including the Plan and the Term Sheets) or (y) the New Credit Facilities Documentation or the Description of Transaction Steps are inconsistent with the Backstop Commitment Letter (including the Plan and the Term Sheets) or the PSA, in each case, unless such inconsistency has been approved in writing by the Required Backstop Parties; <u>provided</u> that this termination right shall only apply if such event remains uncured for</li> </ul>

ten (10) Business Days after transmittal of a written notice in accordance with Section 15(u) of the Backstop Commitment Letter detailing any such inconsistent terms;

- (v) without the prior written consent of the Required Backstop Parties, any of the Chapter 11 Cases shall have been dismissed or converted to a case under chapter 7 of the Bankruptcy Code, or the Bankruptcy Court has entered an order in any of the Chapter 11 Cases appointing an examiner or trustee with expanded powers to oversee or operate the Debtors in the Chapter 11 Cases;
- (vi) the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel, (A) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties under applicable law, or (B) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal;
- (vii) material changes are made to the members of the board of directors, board of managers, or such similar governing body of any Company Party without the consent of the Required Backstop Parties (such consent not to be unreasonably withheld, conditioned or delayed) and such changes are not reversed within ten (10) Business Days after the transmittal of a written notice in accordance with Section 15(u) of the Backstop Commitment Letter detailing such matters;
- (viii) the failure to meet any of the Milestones set forth in Section 7(e) of the Backstop Commitment Letter; or
- (ix) subject to the right of the Backstop Parties to make a Covered Backstop Commitment (which will be deemed to cure any breach that would otherwise give rise to a termination right under clause (ix) of the Backstop Commitment Letter), one or more Backstop Parties have breached any representation, warranty covenant or other agreement in the Backstop Commitment Letter or any such representation and warranty has become inaccurate after the date of the Backstop Commitment Letter and such breach or inaccuracy would, individually or in the aggregate, cause the condition set forth in Section 8(n) or 8(q) of the Backstop Commitment Letter to not be satisfied, (x) the Company has delivered written notice of such breach or inaccuracy to the applicable Backstop Parties, (y) such breach or inaccuracy is not cured by the applicable Backstop Parties by the tenth (10th) Business Day after the Company transmits such written notice and (z) as a result of such failure to cure, any condition set forth in Section 8(n) or 8(q) of the Backstop Commitment Letter is not capable of being satisfied at such time.

The Backstop Commitment Letter shall automatically terminate (i) as to all Backstop Parties upon the termination of the PSA as to all Backstop Parties in accordance with its terms, or (ii) as to a Backstop Party and all of such Backstop Party's obligations under the Backstop Commitment Letter (including its Backstop Commitment and Rights Offering Commitment), (A) if the PSA is terminated as to such Backstop Party or any of its Affiliates or Related Funds or (B) upon written notice from such Backstop Party to the Company, at any time following the date that is one hundred eighty (180) days following the Agreement Effective Date.

Upon termination of the Backstop Commitment Letter, the Backstop Commitment Letter shall become void and of no force or effect and there shall be no further obligations or liabilities on the part of any of the Parties; provided that (i) the obligations of the Debtors to pay the Commitment Premium and satisfy their expense reimbursement obligations as set forth in the Backstop Commitment Letter arising prior to such termination, and the Backstop Parties' rights in respect thereof, as well as the provisions set forth in Sections 12, 13, 14, and 15 of the Backstop Commitment Letter (including, without limitation, confidentiality obligations),

(ii) the obligations of a Defaulting Backstop Party under <u>Section 3</u> of the Backstop Commitment Letter, and (iii) this paragraph, shall, in each case, survive the termination of any Backstop Commitment or the Backstop Commitment Letter and remain in full force and effect. Notwithstanding anything in the Backstop Commitment Letter to the contrary, no termination of the Backstop Commitment Letter shall relieve any Party from liability arising from any willful or intentional breach of the Backstop Commitment Letter prior to the termination thereof.
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15. Obtaining approval of the Debtors' entry into the Backstop Commitment Letter and the authority to satisfy the obligations thereunder is critical to secure the Backstop Commitments. The Debtors need the liquidity provided by the New First Lien Facility, which is backstopped by the Backstop Commitments, to fund Plan payments and operate their business post-emergence. The Debtors' ability to obtain the Backstop Commitments provides significant value to the Debtors' estates and it is unclear whether the Debtors would be able to secure similarly sized financing commitments that could pave the way to a confirmable plan of reorganization at a later point in these cases. The risk of the Debtors not being able to secure financing commitments in several months due to continued market volatility significantly outweighs the cost of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations. Entry into the Backstop Commitment Letter and incurrence of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations will secure the Backstop Commitments for the benefit of the Debtors' go-forward business and all parties in interest and de-risk the Debtors' prospects of exiting from chapter 11.

16. The Backstop Commitments are integral to the contemplated restructuring set forth in the Plan Support Agreement and the Plan, which will delever the Debtors' capital structure by approximately \$4.9 billion and has the support of an overwhelming majority of the Debtors' secured lenders. The proceeds of the Rights Offering will fund distributions under the Debtors' Plan and support the future working capital needs of the reorganized business. Entry into the Backstop Commitment Letter and payment of the Commitment Premium, the Expense

Reimbursement, and the Indemnification Obligations is in the best interests of the Debtors and all stakeholders.

17. Given the benefits to the Debtors and their estates from securing the Backstop Commitments and the risk of losing such commitments if the requested relief is not granted, the Debtors believe that (a) entry into the Backstop Commitment Letter is in the best interests of their estates, (b) payment of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations are reasonable and appropriate, and (c) entry into the Backstop Commitment Letter and payment of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations should be approved. Importantly, although the Backstop Commitment Letter represents the Debtors' best chances of a successful emergence at this time, the Debtors nevertheless maintain a full "fiduciary out" under the Backstop Commitment Letter as to each Debtor.<sup>5</sup>

#### **Alternative Financing Proposal**

18. The Debtors obtained the Backstop Commitment by soliciting proposals from the Debtors' major lenders. Specifically, on April 12, 2021, Houlihan Lokey Capital, Inc., the Debtors' financial advisor and investment banker, sent a letter to the Ad Hoc Group and the CoCom requesting a financing commitment by April 30, 2021. The Debtors received two backstop proposals: one from the CoCom and one from Deutsche Bank AG, London Branch, which is a member of the Ad Hoc Group. After negotiations with both parties, those two proposals ultimately led to the Backstop Commitment.

19. On June 15, 2021, 46 days after the deadline to submit proposals, Quinn Emanuel Urquhart & Sullivan, LLP ("Quinn Emanuel") sent the Debtors' advisors a proposal on behalf of

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<sup>5</sup> For the avoidance of doubt, any Commitment Premium or Expense Reimbursement shall be non-refundable.

funds and accounts managed by or affiliated with Strategic Value Partners, LLC (collectively, “SVP”) contemplating a backstop of the entire \$300 million new money facility (such proposal, the “SVP Proposal”). The SVP Proposal contemplated a lower cash commitment fee compared to the Backstop Commitment and contemplated that the opportunity to backstop the financing would be open to all lenders. But the SVP Proposal did not indicate that SVP would support the Plan as part of the proposal, did not indicate whether any other creditors would support the SVP Proposal, and expressly required the Debtors to conduct a marketing process for their assets. Subsequent communications revealed that SVP would reserve the right to object to the Plan even if the SVP Proposal were accepted and that the SVP Proposal lacked the support of creditors, including the Ad Hoc Group, of which SVP was formerly a member.

20. Ultimately, the Debtors determined not to proceed with the SVP Proposal at this time and to instead proceed with the Backstop Commitment for several reasons. The Backstop Commitment has the support of the majority of holders of the Debtors’ approximately \$5.6 billion of debt under their Prepetition Credit Facilities and includes the Backstop Parties’ agreement to support the Plan embodied in the Plan Support Agreement. The SVP Proposal, on the other hand, is not supported by the Debtors’ secured lenders at this time, would likely delay the timeline on which the Debtors would emerge from chapter 11, and is being proposed by a lone holdout lender intent on objecting to the Plan and engaging in litigation with the Debtors.

### **Basis for Relief**

#### **I. Entry into the Backstop Commitment Letter Is an Exercise of the Debtors’ Sound Business Judgment and Is in the Best Interests of Their Estates and All Parties in Interest.**

21. Section 363(b)(1) of the Bankruptcy Code provides that a debtor in possession, “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). The Fifth Circuit has held that debtors must

articulate a “business justification” for using, selling, or leasing property outside of the ordinary course of business. *See, e.g., In re ASARCO, L.L.C.*, 650 F.3d 593, 601 (5th Cir. 2011) (“[F]or the debtor-in-possession or trustee to satisfy its fiduciary duty to the debtor, creditors, and equity holders, there must be some articulated business justification for using, selling, or leasing the property outside the ordinary course of business.”) (quoting *In re Continental Air Lines*, 780 F.2d 1223, 1226 (5th Cir. 1986)). “The business judgment standard in section 363 is flexible and encourages discretion.” *In re ASARCO, L.L.C.*, 650 F.3d at 601.

22. Section 105(a) of the Bankruptcy Code gives the Court vast equitable powers. *See In re Davis*, 170 F.3d 475, 492 (5th Cir. 1999) (“The basic purpose of § 105 is to assure the bankruptcy courts power to take whatever action is appropriate or necessary in aid of the exercise of its jurisdiction.”) (internal quotations omitted). Further, determining the appropriate method for carrying out the provisions of the Bankruptcy Code is left to the discretion of the court. *See In re Rojas*, No. 07-70058, 2009 WL 2496807, at \*7 (Bankr. S.D. Tex. Aug. 12, 2009) (“Section 105 does not require a court to use the least restrictive means to carry out the requirements of the Code. Section 105(a) of the Bankruptcy Code does not say that the Court’s authority is limited to orders or judgments *necessary* to carry out the Code. Rather, Congress explicitly added to the statute deferential, discretionary language with ‘or appropriate.’”) (quoting 11 U.S.C. § 105(a)) (emphasis in original). The Court is given these vast equitable powers to ensure that the Debtors are “not unduly denied benefits” provided to them under the Bankruptcy Code. *In re Exquisito Servs., Inc.*, 823 F.2d 151, 155 (5th Cir. 1987).

23. The Debtors’ entry into the Backstop Commitment Letter is a reasonable exercise of their business judgment. Here, the Backstop Commitment Letter, including the payment of the Commitment Premium in cash, provides the Debtors with a firm commitment for \$300 million of exit financing. This financing helps ensure that the Plan will be fully funded and that the Debtors



will emerge from these chapter 11 cases. The substantial consideration provided to the Backstop Parties in exchange for the Backstop Commitments, including payment of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations, is integral to the Backstop Commitment Letter and the Plan as a whole.

24. The terms of the Backstop Commitment Letter, including the cash payment of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations, were ultimately required to secure the agreement of the Backstop Parties to backstop the Rights Offering and assist in funding the Debtors' go-forward business upon emergence from chapter 11. The Backstop Commitment Letter is the product of extensive negotiations, and the security offered by the Backstop Commitment Letter provides a stable platform for emergence and preserves estate assets for the benefit of all of the Debtors' stakeholders. For these reasons, the Debtors submit that their entry into the Backstop Commitment Letter and agreement to the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations is a sound exercise of the Debtors' business judgment and the Court should approve the Debtors' entry into the Backstop Commitment Letter.

**II. The Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations Should Be Granted Administrative Expense Priority Because They Are Reasonable and Essential Components of the Backstop Commitment Letter.**

25. In consideration for the Backstop Commitment and to compensate the Backstop Parties for the considerable time and expense they have incurred during the months-long negotiation process, and will continue to incur as the parties proceed to confirmation of the Plan, the Backstop Commitment Letter provides for payment in cash of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations, if any.

26. Bankruptcy Code section 503(b)(1)(A) provides that there shall be allowed administrative expenses for "the actual, necessary costs and expenses of preserving the estate."

11 U.S.C. § 503(b)(1)(A). The Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations are necessary to secure the Backstop Commitment and compensate the Backstop Parties for the substantial resources invested in negotiating the terms of the Plan Support Agreement and the Backstop Commitment Letter.

27. Specifically, the Backstop Commitments are a key component of the Restructuring Transactions, which will deleverage the Debtors' balance sheet by approximately \$4.9 billion and provide go-forward working capital for the Reorganized Debtors. The Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations were heavily negotiated in connection with the Backstop Commitment Letter and were agreed to compensate the Backstop Parties for their substantial commitments to facilitate the restructuring. Without this consideration, the Backstop Parties would not have been willing to provide the Backstop Commitments, which are a critical component of the Debtors' restructuring efforts.

28. The Commitment Premium, the Expense Reimbursement, and Indemnification Obligations should be accorded administrative expense priority because they are actual and necessary costs of preserving and maximizing the value of the Debtors' estates and enhancing creditor recoveries, as the Backstop Commitments are a key component of the Plan Support Agreement and the Plan.

29. The Backstop Parties are conferring a material benefit to the Debtors' estates by ensuring access to sufficient liquidity as they help lead the Debtors successfully out of bankruptcy to continue to operate as a deleveraged enterprise, thereby saving over 3,100 jobs and allowing the Debtors to continue their operations as a going concern.

30. It is customary for debtors to pay fees and expenses to parties that have committed funding to the debtor's estate, such as by backstopping a rights offering. It is also customary for debtors to compensate parties for expending substantial time and resources to negotiate the terms

of and commit to providing funding for a debtor's restructuring, such as the funding that will be committed under the Backstop Commitment Letter.

31. The terms of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations are consistent with fees and expenses associated with other, similar rights offerings. *See, e.g., Gulfport Energy Corporation*, Case No. 20-35562 (DRJ) (Bankr. S.D. Tex. April 28, 2021) [Docket No. 1261]; *Diamond Offshore Drilling, Inc.*, Case No. 20-32307 (DRJ) (Bankr. S.D. Tex. Feb. 26, 2021) [Docket No. 1070]; *In re Noble Corp.*, Case No. 20-33826 (DRJ) (Bankr. S.D. Tex. Oct. 9, 2020) [Docket No. 542]; *In re Chesapeake Energy Corp.*, Case No. 20-33233 (DRJ) (Bankr. S.D. Tex. Aug. 21, 2020) [Docket No. 899]; *In re Hi-Crush Inc.*, No. 20-33495 (DRJ) (Bankr. S.D. Tex. Aug. 14, 2020) [Docket No. 287]; *In re Bristow Grp., Inc.*, No. 19-32713 (DRJ) (Bankr. S.D. Tex. Oct. 8, 2019) [Docket No. 825]; *In re Fieldwood Energy LLC*, No. 18-30648 (DRJ) (Bankr. S.D. Tex. Apr. 2, 2018) [Docket No. 259].

32. In analyzing the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations, the Court should consider the Debtors' decision to commit themselves to their chosen exit strategy as a whole, of which the Backstop Commitment is one essential part. Indeed, the Debtors' chosen exit path maximizes value for all creditors by, among other things, providing for an efficient emergence from chapter 11. The Debtors anticipate that their emergence with a significantly deleveraged balance sheet will provide them a significant competitive benefit within the industry.

33. Simply put, the Debtors have considered all the risks, weighed the costs of the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations against the uncertainty and expense of a non-consensual plan process, and have determined that entry into the Backstop Commitment Letter and performing the obligations thereunder minimizes risk and maximizes value for all stakeholders. Nevertheless, the Debtors still negotiated for a full

“fiduciary out” in the event that an alternative proposal is received by the Debtors that the Debtors’ fiduciaries believe presents a superior alternative to the restructuring contemplated under the Plan. For these reasons, the Debtors determined, in their business judgment and in consultation with their advisors, that paying the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations is essential and necessary to secure the Backstop Commitments and proceed toward confirming the Plan.

**Waiver of Bankruptcy Rules 6004(a) and 6004(h)**

34. To implement the foregoing successfully, the Debtors request that the Court enter an order providing that notice of the relief requested herein satisfies Bankruptcy Rule 6004(a) and that the Debtors have established cause to exclude such relief from the 14-day stay period under Bankruptcy Rule 6004(h).

**Notice**

35. The Debtors will provide notice of this Motion to: (a) the Office of the United States Trustee for the Southern District of Texas; (b) entities listed as holding the 30 largest unsecured claims against the Debtors (on a consolidated basis); (c) counsel to the Ad Hoc Group; (d) counsel to the CoCom; (e) counsel to the ad hoc group of holders of the Debtors’ senior secured notes; (f) the Office of the United States Attorney for the Southern District of Texas; (g) the state attorneys general for states in which the Debtors conduct business; (h) the Internal Revenue Service; (i) the Securities and Exchange Commission; (j) the Environmental Protection Agency and similar state environmental agencies for states in which the Debtors conduct business; (k) any party that has requested notice pursuant to Bankruptcy Rule 2002; and (l) any other party entitled to notice pursuant to Local Rule 9013-1(d). In light of the nature of the relief requested, no further notice is required.

**Conclusion**

WHEREFORE, the Debtors respectfully request that the Court enter the Order, granting the relief requested herein and granting such other relief as the Court deems appropriate under the circumstances.

Houston, Texas  
July 24, 2021

/s/ Matthew D. Cavanaugh

**JACKSON WALKER L.L.P.**

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*Co-Counsel to the Debtors  
and Debtors in Possession*

**Certificate of Service**

I certify that on July 24, 2021, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

*/s/ Matthew D. Cavanaugh*

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Matthew D. Cavanaugh

**Exhibit A**

**Backstop Commitment Letter**



July 23, 2021

Seadrill Limited  
Par-la-Ville Place  
14 Par-la-Ville Road  
Hamilton HM 08, Bermuda  
Attention: Sandra Redding, Sarah French

**Backstop Commitment Letter**

Dear Ms. Redding and Ms. French:

Reference is made to the Plan Support Agreement, dated July 23, 2021, with respect to the restructuring of Seadrill Limited (the “Company”) and its respective affiliates party thereto (the “Debtors” or “you”) (including all exhibits attached thereto, and as may be amended, supplemented or otherwise modified from time to time, the “PSA”), which provides for the restructuring of the Debtors’ capital structure and financial obligations pursuant to a plan of reorganization (the “Plan”) to be filed in the Chapter 11 Cases implementing the terms and conditions of the Restructuring Transactions. Capitalized terms used but not otherwise defined herein shall have the meanings provided in the PSA.

The PSA contemplates a restructuring of the Company and its affiliates on the terms contemplated therein, including (a) a \$125 million revolving credit facility to be entered into as of the Restructuring Effective Date between, among others, the Company or an affiliate thereof as determined in accordance with the Plan and the New Credit Facilities Term Sheet (as defined below) (the “Borrower”), the administrative agent and the lenders party thereto (the “Revolving Credit Facility”) and (b) a \$175 million term loan facility to be entered into as of the Restructuring Effective Date between, among others, the Borrower, the administrative agent and the lenders party thereto (the “Term Loan Facility,” and together with the Revolving Credit Facility, the “New Credit Facilities”) on terms and conditions contained in the term sheet attached as Exhibit B to the PSA and in form and substance acceptable to the Required Backstop Parties (the “New Credit Facilities Term Sheet”).

As set forth in the PSA, each holder of Credit Agreement Claims (each, a “Rights Offering Participant”) (including, for the avoidance of doubt, the undersigned parties (excluding the Company) collectively, the “Backstop Parties,” “we” or “us”) will be afforded the right to (a) join as lenders under the Revolving Credit Facility and extend credit on and after the Restructuring Effective Date in the form of revolving loans and (b) join as lenders under the Term Loan Facility and extend credit in the form of a term loan on the Restructuring Effective Date, in each case, on a *pro rata* basis, calculated based on the total amount of the New Second Lien Facility to be received by such Rights Offering Participant under the Plan as of the specified record date in accordance with the Rights Offering Procedures as compared to the total amount of the New Second Lien Facility to be received by all Rights Offering Participants under the Plan as of the specified record date in accordance with the Rights Offering Procedures. For the avoidance of doubt, a Rights Offering Participant that elects to subscribe in the Rights Offering must subscribe in equal proportions as between participation in the Revolving Credit Facility and Term Loan Facility.

The Rights Offering Participants (including the Backstop Parties) that (a) subscribe in the Rights Offering for the right to lend money under the New Credit Facilities (the “Rights”), (b) deliver the amounts owed in accordance therewith, and (c) deliver duly executed signature pages to the New Credit Facilities Documentation will, on the Restructuring Effective Date, be issued common shares in the Equity Issuer pursuant to the Plan (“New Shares”) equal to 12.5% (the “Rights Offering Percentage”) of all of the New

Shares issued and outstanding on the Restructuring Effective Date (subject to dilution by the MIP); provided that, if the Rights Offering is not fully subscribed, the Rights Offering Percentage shall equal 12.5% multiplied by a fraction, the numerator of which is the total principal amount of the New Credit Facilities (inclusive of all borrowing capacity under the Revolving Credit Facility) subscribed for in the Rights Offering and the denominator of which is \$300 million. Such New Shares issued to the Rights Offering Participants will be allocated among them based on the total Rights subscribed by each Rights Offering Participant relative to the total Rights subscribed by all Rights Offering Participants (the “RO Participation Equity,” and the allocation with respect to any such Person, the “RO Participation Allocation”). The Rights Offering Participants shall effect their subscriptions in the Rights Offering in accordance with the terms and conditions of the procedures for the Rights Offering that are approved by the Bankruptcy Court pursuant to the Disclosure Statement Order, which procedures shall be on terms and conditions consistent in all material respects with the terms of this letter agreement (“Backstop Commitment Letter”) and in a form and substance reasonably acceptable to the Required Backstop Parties and the Company (the “Rights Offering Procedures”).

In addition, the Backstop Parties will be issued the number of New Shares equal to the sum of (a) (x) the percentage equal to 12.5% minus the Rights Offering Percentage (as adjusted pursuant to the foregoing proviso) multiplied by (y) the total number of New Shares issued and outstanding on the Restructuring Effective Date (subject to dilution by the MIP), subject to Section 3(b), allocated among such Backstop Parties in accordance with Part II of Schedule I hereto (the “BP Participation Equity,” and the allocation with respect to such Backstop Party, the “BP Participation Allocation”); plus (b) (x) 4.25% multiplied by (y) the total number of New Shares issued and outstanding on the Restructuring Effective Date (subject to dilution by the MIP), subject to Section 3(b), allocated among such Backstop Parties in accordance with Part I of Schedule I hereto (the “Equity Commitment Premium,” and the BP Participation Equity together with the RO Participation Equity and the Equity Commitment Premium, the “Participation Equity”); provided that, if a Backstop Party breaches its obligation to participate in the New Credit Facilities and fund the amounts required hereunder pursuant to the terms hereof (a “Funding Default”), the New Shares that would have been allocated to such Defaulting Backstop Party (defined below) (“Replacement Shares”) hereunder as part of the BP Participation Equity and the Equity Commitment Premium shall be instead allocated to each Cover Person (defined below), *pro rata* based on the percentage of the Funding Default actually funded by each such Cover Person in place of the Defaulting Backstop Party.

Subject to the terms and conditions contained in this Backstop Commitment Letter (including Section 8) and the PSA, each Backstop Party and each of the parties hereto (the “Parties”) hereby agree as follows:

1. ***The Rights Offering***

- (a) On and subject to the terms and conditions hereof, the Debtors shall conduct the Rights Offering pursuant to and in accordance with this Backstop Commitment Letter, the Plan, the Rights Offering Procedures and the Disclosure Statement Order.
- (b) On and subject to the terms and conditions hereof, each Backstop Party agrees, severally and not jointly, to fully subscribe to all Rights offered to it in the Rights Offering and to fully perform its obligations with respect to such Rights on the Restructuring Effective Date; provided that, notwithstanding anything to the contrary in the definitive documents with respect to the Rights Offering (the “Rights Offering Documents”), any amounts required to be funded in connection with such Rights shall be instead funded in accordance with Section 4 below (the “Rights Offering Commitment”).

- (c) The New Shares issued to Rights Offering Participants on the Restructuring Effective Date will be issued in reliance on the exemption from registration under the Securities Act provided in Section 1145 of the Bankruptcy Code and the Plan and the Disclosure Statement shall each include a statement to such effect.

2. ***The Backstop Commitment***

On and subject to the terms and conditions hereof, including the conditions set forth in Section 8, each Backstop Party listed in Part II of Schedule I attached hereto agrees, severally and not jointly:

- (a) to join as a lender, on the Restructuring Effective Date, and extend credit under the Revolving Credit Facility on and after the Restructuring Effective Date in the amount equal to the portion of the Revolving Credit Facility, if any, not fully committed in the Rights Offering by the Rights Offering Participants in accordance with the Rights Offering Procedures (the “Uncommitted Revolver Amount”) multiplied by the percentage set forth beside such Backstop Party’s name on Part II of Schedule I hereto;
- (b) to join as a lender, on the Restructuring Effective Date, and extend credit under the Term Loan Facility on the Restructuring Effective Date in the amount equal to the portion of the Term Loan Facility, if any, not fully committed in the Rights Offering by the Rights Offering Participants in accordance with the Rights Offering Procedures (the “Uncommitted Term Loan Amount”) multiplied by the percentage set forth beside such Backstop Party’s name on Part II of Schedule I hereto, and fully fund (or procure its designated affiliates, Related Funds or Delegates to fund) all amounts owed thereunder by such Backstop Party in accordance with this Section 2 and Section 4 (Sections 2(a) and 2(b) together, the “Backstop Commitment”);
- (c) that the New Shares issued to the Backstop Parties and any Replacement Shares issued to any Cover Person pursuant to this Backstop Commitment Letter will be issued in reliance on the exemption from registration under the Securities Act provided in Section 1145 of the Bankruptcy Code to the maximum extent possible, provided that, to the extent the exemption under Section 1145 of the Bankruptcy Code is unavailable with respect to the New Shares or Replacement Shares issued in respect of such Backstop Parties’ or Cover Persons’ respective Backstop Commitment, such New Shares or Replacement Shares will be issued in reliance on the exemption provided by Regulation S or Section 4(a)(2) of the Securities Act, and/or Regulation D promulgated thereunder, and the Plan and the Disclosure Statement shall each include a statement to such effect; and
- (d) that each of the Parties hereto agrees that, for U.S. federal income tax purposes, the BP Participation Equity shall be treated as part of an investment unit with the New Credit Facilities held by each Backstop Party and the amount paid in respect of the New Credit Facilities shall be allocated between the New Credit Facilities and the BP Participation Equity for United States federal income tax purposes in accordance with Treasury Regulations Section 1.1273-2(h).

3. ***Funding Default***

- (a) Upon the occurrence of a Funding Default, each Backstop Party, other than any Backstop Party that shall have caused a Funding Default (such Backstop Party, a “Defaulting Backstop Party”), shall have the right, but not the obligation, within five (5) Business Days after receipt of written notice from the Company to all Backstop Parties of such Funding

Default, which notice shall be given promptly following the occurrence of such Funding Default and to all Backstop Parties substantially concurrently (such five (5) Business Day period, the “Cover Period”), to elect, by written notice to the Company, to fund all of the (x) Rights Offering Commitment and (y) Backstop Commitment, in each case, not funded by each Defaulting Backstop Party (each such commitment, a “Covered Backstop Commitment,” and each Backstop Party making such Covered Backstop Commitment, a “Cover Person”) (A) in such amounts as may be agreed upon by all of the non-Defaulting Backstop Parties that elect to fund all or any portion of the Covered Backstop Commitment, or (B) if no such agreement is reached by the date upon which the Cover Period expires, among all Cover Persons in accordance with Part III of Schedule I hereto. If, at the end of the Cover Period, one or more non-Defaulting Backstop Parties have not committed, in the aggregate, to contribute an amount equal to the amount all Defaulting Backstop Parties failed to fund (“Residual Cover Amount”), then, subject to Section 4(b), (i) so long as this Backstop Commitment Letter is not terminated, the Company shall have up to thirty (30) days to secure from one or more investors funds in deposit in the Designated Account, in the aggregate, an amount equal to the Residual Cover Amount, and each such investor shall be deemed a Cover Person and (ii) without limiting any Party’s right to terminate this Backstop Commitment Letter, the Restructuring Effective Date shall be adjusted to be the fifth (5th) Business Day after the entire Residual Cover Amount has been deposited in the Designated Account.

- (b) No later than two (2) Business Days following a Funding Default (which remains uncured by the applicable Defaulting Backstop Parties prior to the Restructuring Effective Date), each Defaulting Backstop Party shall return to the Company all previously paid Commitment Premium and at Closing, such Commitment Premium, the Equity Commitment Premium and the BP Participation Equity allocable to the portion of the New Credit Facilities for which the Defaulting Backstop Party caused a Funding Default shall be allocated *pro rata* to Cover Persons, as applicable, calculated based on such Covered Person’s Covered Backstop Commitment by such Cover Person as compared to the total amount of the Funding Default. Notwithstanding anything in this Backstop Commitment Letter to the contrary, from and after such time that one or more Cover Persons has committed to fund the full Covered Backstop Commitment of a Defaulting Backstop Party, such Defaulting Backstop Party shall have no right to cure its Funding Default.
- (c) Nothing in this Backstop Commitment Letter shall require any Backstop Party to fund more than its Backstop Commitment; provided that, if a Backstop Party makes an election to cover a Defaulting Backstop Party, such election shall be binding, and failure to fund any such cover amount in accordance with this Section 3 shall constitute a Funding Default.
- (d) Notwithstanding anything to the contrary set forth herein, no provision of this Backstop Commitment Letter shall relieve any Defaulting Backstop Party from liability hereunder, or limit the availability of the remedies set forth herein or otherwise available to the non-Defaulting Backstop Parties hereto, in connection with any such Backstop Party’s Funding Default.

#### 4. ***Backstop Funding***

- (a) No later than ten (10) Business Days prior to the anticipated Closing as reasonably determined by the Debtors, the Debtors shall (or shall cause the subscription agent appointed by the Company or an affiliate thereof (the “Rights Offering Subscription Agent”) to) deliver to each Backstop Party a written notice (the “Funding Notice”) of (i) the

portion of the Revolving Credit Facility for which such Backstop Party will be a lender with respect to such Backstop Party's Backstop Commitment; (ii) the portion of the Term Loan Facility for which such Backstop Party will be a lender with respect to such Backstop Party's Backstop Commitment; (iii) the portion of the Revolving Credit Facility for which such Backstop Party will be a lender with respect to its Rights Offering Commitment; (iv) the portion of the Term Loan Facility for which such Backstop Party will be a lender with respect to its Rights Offering Commitment; (v) the total amount of any desired draw against the Revolving Credit Facility on the Restructuring Effective Date (the "Closing Draw"), as determined by the Debtors in their sole discretion, subject only to the limitations set forth in the Revolving Credit Facility; (vi) the total amount of the Closing Draw such Backstop Party is responsible for funding as a result of the portion of the Revolving Credit Facility for which such Backstop Party will be lender; (vii) the aggregate amount such Backstop Party is required to fund in advance of the Restructuring Effective Date in accordance with Section 4(b), which shall be the sum of the amounts set forth in clauses (ii), (iv) and (vi) (for each such Backstop Party, the "Closing Loan"); (viii) the percentage of New Shares to which such Backstop Party is entitled to be issued hereunder at Closing together with the total number of New Shares that such percentage represents; and (ix) the holding account (the "Designated Account") to which such Backstop Party shall deliver and pay the Closing Loan in accordance with Section 4(b) and the related wire instructions. The Debtors shall (or shall cause the Rights Offering Subscription Agent to) promptly provide any written backup, information and documentation relating to the information contained in the Funding Notice as any Backstop Party may reasonably request.

- (b) No later than two (2) Business Days prior to the anticipated Closing (the "Funding Deadline"), each Backstop Party shall (or shall procure its designated affiliates, Related Funds or Delegates to) deliver and pay its Closing Loan by wire transfer in immediately available funds in U.S. dollars into the Designated Account. The Designated Account shall be established with Citibank National Association or such other escrow agent or paying agent reasonably satisfactory to the Required Backstop Parties (which must include (i) members of the Ad Hoc Group holding a majority of the Backstop Commitments held by all members of the Ad Hoc Group party hereto and (ii) members of the CoCom holding a majority of the Backstop Commitments held by all members of the CoCom party hereto) (the "Escrow Agent") and the Company pursuant to an escrow agreement or paying agent agreement in form and substance reasonably satisfactory to the Required Backstop Parties and the Company; it being agreed and understood that the failure of any proposed escrow agent or paying agent to satisfy the "know your customer" ("KYC"), regulatory or compliance requirements of any Backstop Party shall be a reasonable reason to withhold consent. The funds held in the Designated Account (x) shall be distributed to Borrower (or its designee, as applicable) at the Closing or (y) shall be returned to each Backstop Party, in each case, inclusive of any interest accrued thereon, upon the earlier of (A) the third (3rd) Business Day following the termination of this Backstop Commitment Letter or (B) the eighth (8th) Business Day following the Funding Deadline, if the Closing does not occur within seven (7) Business Days following the Funding Deadline, and, to the extent necessary to effectuate the same, the Backstop Parties and Company Parties to such escrow agreement or paying agent agreement shall, as applicable, promptly duly execute and delivery joint written instructions in the form set forth therein (or otherwise acceptable to the Escrow Agent) in order to make such instructions. In the case of such return of funds pursuant to clause (B), a new Funding Notice shall be delivered in accordance with Section 4(a) at least three (3) Business Days prior to the anticipated Closing.



5. ***Representations and Warranties of the Backstop Parties***

Each Backstop Party represents and warrants as to itself only, unless otherwise set forth herein, as of the date of this Backstop Commitment Letter and as of the Restructuring Effective Date, as set forth below.

- (a) Incorporation. To the extent applicable, such Backstop Party is a legal entity duly organized, validly existing and, if applicable, in good standing (or the equivalent thereof) under the laws of its jurisdiction of incorporation or organization.
- (b) Corporate Power and Authority. To the extent applicable, such Backstop Party has the requisite corporate, limited partnership or limited liability company power and authority to enter into, execute and deliver this Backstop Commitment Letter and each other Restructuring Document to which such Backstop Party is a party and to perform its obligations hereunder and thereunder and has taken all necessary corporate, limited partnership or limited liability company action required for the due authorization, execution, delivery and performance by it of this Backstop Commitment Letter and such other Restructuring Documents.
- (c) Execution and Delivery. Assuming due and valid execution and delivery by the other Parties, this Backstop Commitment Letter and each other Restructuring Document to which such Backstop Party is a party, has been, or prior to its execution and delivery will be, duly and validly executed and delivered by such Backstop Party and when executed and delivered, will constitute the valid and binding obligation of such Backstop Party, enforceable against such Backstop Party in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar Laws affecting creditors' rights generally or by equitable principles relating to enforceability.
- (d) No Conflict. Assuming the consents described in Section 5(e) are obtained, the execution and delivery by such Backstop Party of this Backstop Commitment Letter and the other Restructuring Documents to which it is a party, the compliance by such Backstop Party with the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein will not (i) result in any violation of the provisions of the organizational documents of such Backstop Party or (ii) result in any violation of any Law or order applicable to such Backstop Party or any of its properties, except in each of the cases described in clause (ii) of this Section 5(d), which would not reasonably be expected to have, individually or in the aggregate, a material adverse effect to such Backstop Party's performance of its obligations under this Backstop Commitment Letter.
- (e) Consents and Approvals. None of the execution, delivery or performance of this Backstop Commitment Letter by such Backstop Party will require any consent of, authorization by, exemption from, filing with, or notice to any Governmental Authority having jurisdiction over such Backstop Party or any of its properties, except for (i) filings, notifications, authorizations, approvals, consents, clearances or termination or expiration of all applicable waiting periods under any Antitrust Laws in connection with the transactions contemplated by this Backstop Commitment Letter, and (ii) such consents, approvals, authorizations, orders, registrations or qualifications that, if not made or obtained, would not reasonably be expected, individually or in the aggregate, to have a material adverse effect on such Backstop Party's performance of its obligations under this Backstop Commitment Letter.

- (f) Purchasing Intent. To the extent the New Shares issued to such Backstop Party or the Replacement Shares issued to such Cover Person pursuant to this Backstop Commitment Letter will be issued in reliance on the exemption from registration under the Securities Act provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder, such Backstop Party or Cover Person is acquiring the New Shares or Replacement Shares, as applicable, for its own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof not in compliance with applicable securities Laws, and such Backstop Party or Cover Person has no present intention of selling, granting any participation in, or otherwise distributing the same, except in compliance with applicable securities Laws.
- (g) Sophistication; Investigation. Such Backstop Party or Cover Person acknowledges, as applicable, that the New Shares or the Replacement Shares have not been registered pursuant to the Securities Act. To the extent the New Shares issued to such Backstop Party or the Replacement Shares issued to such Cover Person pursuant to this Backstop Commitment Letter will be issued in reliance on the exemption from registration under the Securities Act provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder, (i) such Backstop Party or such Cover Person has such knowledge and experience in financial and business matters such that it is capable of evaluating the merits and risks of its investment in the New Shares or the Replacement Shares being acquired hereunder, (ii) such Backstop Party or such Cover Person is an “accredited investor” within the meaning of Rule 501(a) of the Securities Act or is a “qualified institutional buyer” within the meaning of Rule 144A of the Securities Act, (iii) such Backstop Party or such Cover Person understands and is able to bear any economic risks associated with such investment (including the necessity of holding the New Shares for an indefinite period of time), and (iv) except for the representation and warranties set forth in this Backstop Commitment Letter, the PSA and any other Restructuring Document in effect as of the date hereof, such Backstop Party or Cover Person has conducted and relied on its own independent investigation of, and judgment with respect to, the Debtors and the advice of its own legal, tax, economic, and other advisors.
- (h) No Broker’s Fees. Such Backstop Party is not a party to any contract with any Person (other than this Backstop Commitment Letter and any engagement letter with Lazard & Co., Limited) that would give rise to a valid claim against the Company for a brokerage commission, finder’s fee or like payment in connection with the Rights Offering, the issuance of the New Shares, the execution of the New Credit Facilities Documents or the payment of the Commitment Premium.
- (i) Sufficiency of Funds. As of the Restructuring Effective Date, each Backstop Party shall have sufficient immediately available funds to make and complete the payment of the Closing Loan.

6. ***Representations and Warranties of the Company Parties***

The Debtors represent and warrant to the Backstop Parties as of the date of this Backstop Commitment Letter and as of the Restructuring Effective Date, as set forth below:

- (a) Organization. Each of the Debtors and their respective subsidiaries (each, a “Company Party” and, collectively, the “Company Parties”) and, as of the Closing, the Equity Issuer:



- i. is duly organized, validly existing and in good standing (or the equivalent thereof) under the laws of the jurisdiction of its organization, except where any such failure to be so in good standing, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect; and
  - ii. has all corporate power and authority to own and operate its properties, to lease the property it operates under lease and to conduct its business, except where any such failure to own and/or operate, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.
- (b) Due Authorization, Execution and Delivery; Enforceability. Each Debtor and, as of the Closing, the Equity Issuer, has the requisite corporate power and authority to enter into, execute and deliver this Backstop Commitment Letter, and the other Restructuring Documents to which it is a party and, subject to the entry of the Approval Order or Confirmation Order (as applicable), to perform its obligations hereunder and thereunder, and has taken all necessary corporate action required for the due authorization, execution, delivery and performance by it of this Backstop Commitment Letter, and the other Restructuring Documents to which it is a party. Assuming due and valid execution and delivery by the other Parties, this Backstop Commitment Letter, and each of the other Restructuring Documents to which such Debtor or the Equity Issuer is a party, constitutes the legally valid and binding obligation of such Debtor or, as of the Closing, the Equity Issuer, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar Laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.
- (c) Authorized Capital.
  - i. Upon the Restructuring Effective Date, the authorized capital of the Company or the Equity Issuer (as applicable) shall be consistent with the terms of the Plan and the Disclosure Statement, and the issued and outstanding New Shares shall be consistent with the terms of the Plan and the Disclosure Statement, and shall consist of common shares each with a par value of greater than \$0.00. As of the Restructuring Effective Date, the Company or the Equity Issuer, as applicable, shall have authorized for issuance sufficient New Shares to consummate the transactions contemplated under this Backstop Commitment Letter, the PSA, the Rights Offering Documents, and the Plan.
  - ii. Other than the Registration Rights Agreement, upon the Restructuring Effective Date, none of the Equity Issuer, the Reorganized Company Parties or any Company Party will be party to or otherwise bound by or subject to any outstanding option, warrant, call, right, security, commitment, contract, arrangement or undertaking (including any preemptive right) that (i) obligates the Equity Issuer, the Reorganized Company Parties or any Company Party to issue, deliver, sell or transfer, or repurchase, redeem or otherwise acquire, or cause to be issued, delivered, sold or transferred, or repurchased, redeemed or otherwise acquired, any shares of, or other equity or voting interests in, the Equity Issuer, the Reorganized Company Parties or any Company Party or any security convertible or exercisable for or exchangeable into any shares of, or other equity or voting interest in, the Equity Issuer, the Reorganized Company Parties or any Company Party; (ii) obligates the Equity Issuer, the Reorganized Company Parties, or any Company Party to issue, grant, extend, or enter into any such option, warrant, call,

right, security, commitment, contract, arrangement, or undertaking; (iii) restricts the transfer of any shares of the Equity Issuer, the Reorganized Company Parties, or any Company Party; or (iv) relates to the voting of any shares of the Equity Issuer, the Reorganized Company Parties, or any Company Party.

- (d) Issuance. Subject to entry of the Confirmation Order, the distribution of the Rights have been, and the issuance of the New Shares (including any Replacement Shares), will have been as of the issuance thereof, duly and validly authorized and, when the New Shares (including any Replacement Shares) are issued and delivered against payment therefor in the Rights Offering or to the Backstop Parties or Cover Persons hereunder, will be duly and validly issued and outstanding, fully paid, nonassessable, and free and clear of all taxes, Liens, preemptive rights, rights of first refusal, rights of first offer, subscription, mortgage, pledge, charge, assignment, hypothecation, security interest, option or third-party right or interest or any agreement or arrangement having the effect of conferring any of the foregoing and similar rights, and rank *pari passu* in all respects with all other common shares in the capital of the Company or the Equity Issuer, as applicable. To the extent the New Shares (including any Replacement Shares) issued to the Backstop Parties or Cover Persons, as applicable, in the manner contemplated hereby will be issued in reliance on the exemption from registration under the Securities Act provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder, (i) none of the Company, the Equity Issuer or any of their affiliates (as defined in Rule 501(b) of Regulation D) has, directly or through any agent, sold, offered for sale, solicited offers to buy, or otherwise negotiated in respect of any security (as defined in the Securities Act) that is or will be integrated with the sale of the New Shares (including any Replacement Shares) in a manner that would require registration of the New Shares (including any Replacement Shares) under the Securities Act; (ii) none of the Company, the Equity Issuer or any of their affiliates or any other person acting on its or their behalf has solicited offers for, or offered or sold, the New Shares (including any Replacement Shares) by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act; and (iii) assuming the accuracy of the representations and warranties of the Backstop Parties or Cover Persons contained herein, it is not necessary, in connection with the issuance of the New Shares (including any Replacement Shares) in the manner contemplated hereby to register the New Shares (including any Replacement Shares) under the Securities Act.
- (e) No Conflict. Assuming the consents described in Section 6(f) are obtained, the execution and delivery by the Debtors and, as of the Closing, the Equity Issuer of this Backstop Commitment Letter, the Plan, the Rights Offering Documents and the other Restructuring Documents, the compliance by each Company Party and, as of the Closing, the Equity Issuer with the provisions hereof and thereof and the consummation of the transactions contemplated herein and therein will not (a) conflict with, or result in a breach, modification or violation of, any of the terms or provisions of, or constitute a default under (with or without notice or lapse of time, or both), or result, except to the extent contemplated by the Plan, in the acceleration of, or the creation of any Lien under, or cause any payment or consent to be required under any contract to which the Reorganized Company Parties or any of their respective subsidiaries, or the Equity Issuer, is bound as of the date hereof or will be bound as of the Restructuring Effective Date after giving effect to the Plan or to which any of the property or assets of the Reorganized Company Parties or any of their respective subsidiaries, or the Equity Issuer will be subject as of the Restructuring Effective Date after giving effect to the Plan, (b) result in any violation of

the provisions of the organizational documents of the Company Parties or, as of the Closing, the Equity Issuer or (c) result in any violation of any Law or order applicable to the Company Parties or, as of the Closing, the Equity Issuer or any of their properties, except, in each of the cases described in clauses (a) and (c) of this Section 6(e), which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

- (f) Consents. Subject to the entry of the Confirmation Order, none of the execution, delivery or performance of this Backstop Commitment Letter by the Debtors, the Equity Issuer or any other Company Party, including the issuance of the New Shares by the Company or the Equity Issuer, as applicable, will require any consent of, authorization by, exemption from, filing with, or notice to any Governmental Authority having jurisdiction over the Company Parties or the Equity Issuer, except for (i) the entry of the Confirmation Order, (ii) entry by the Bankruptcy Court, or any other United States court of competent jurisdiction, of orders as may be necessary in the Chapter 11 Cases from time to time, (iii) filings, notifications, authorizations, approvals, consents, clearances or termination or expiration of all applicable waiting periods under any Antitrust Laws in connection with the transactions contemplated by this Backstop Commitment Letter, (iv) the filing with the relevant local Governmental Authority of the Bye-laws (or other similar governing document), and the filing of any other corporate documents with the state and local filing agencies applicable to the Equity Issuer or any of the other Debtors, as set forth on Schedule 6(f)(iv) hereto, (v) the filings, notifications, authorizations, approvals or consents from the Bermuda Monetary Authority with respect to the issue and transfer of the New Shares set forth on Schedule 6(f)(v) hereto, and (vi) such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or “Blue Sky” laws in connection with the issuance of the Participation Equity pursuant to the exercise of the Rights.

## 7. *Covenants*

- (a) Conduct of Business. Except as expressly set forth in this Backstop Commitment Letter, the Description of Transaction Steps set forth in the Plan, or the PSA, or with the prior written consent of the Required Backstop Parties, during the period from the date of this Backstop Commitment Letter to the earlier of the Restructuring Effective Date and the date on which this Backstop Commitment Letter is terminated in accordance with its terms, (i) the Company shall, and shall cause each of the other Company Parties to, carry on its business in the ordinary course and use its commercially reasonable efforts to (A) preserve intact its current business and business organizations in all material respects; (B) preserve its material relationships with customers, sales representatives, suppliers, licensors, licensees, distributors and others having material business dealings with any of the Company Parties in connection with their business; (C) file or post all reports and other documents with the Oslo Stock Exchange within the time periods required under the Norwegian Securities Trading Act and with the SEC within the time periods required under the Exchange Act, or reasonably promptly thereafter, in each case in accordance with ordinary course practices; (D) maintain its material physical assets, properties and facilities in all material respects in their current working order, condition and repair as of the date hereof, ordinary wear and tear excepted; (E) operate its businesses in compliance with all applicable laws, rules and regulations in all material respects; and (F) maintain all material insurance policies, or suitable replacements therefor, in full force and effect through the close of business on the Restructuring Effective Date, and (ii) the Company shall not and shall cause each of the Company Parties not to enter into any transaction that is material to

the Company Parties' business other than transactions in the ordinary course of business that are consistent with prior business practices of the Company Parties.

For the avoidance of doubt and without limiting the generality of the foregoing, the following shall be deemed to occur outside of the ordinary course of business of the Company Parties and shall require the prior written consent of the Required Backstop Parties:

- i. amendments of any of the organizational documents of any of the Company Parties that would reasonably be expected to (x) impair such Company Party's ability to perform its obligations under this Backstop Commitment Letter or under any other Restructuring Document, (y) be adverse to any Company Party or (z) otherwise have an adverse effect on any Backstop Party; provided that any amendment to reflect an equity issuance by any Company Party (excluding any issuance to another Company Party) shall be deemed to adversely affect the Backstop Parties.
- ii. any new executive compensation or retention plans; and
- iii. any executive bonuses or retention payments.

Notwithstanding anything to the contrary in this Section 7(a), no consent from the Required Backstop Parties shall be required pursuant to this Section 7(a) for any Company Party to (i) undertake emergency operations reasonably necessary or advisable, in the judgment of the senior management of the applicable Company Party, to mitigate, remedy or prevent any emergency that threatens human life or the safety of any Person or the environment or the immediate endangerment of property; (ii) take, or refrain from taking, any reasonable action as required to comply with applicable Laws; (iii) take all commercially reasonable measures to preserve the business of the Company Parties as a result of any impact or reasonably anticipated impact arising as a result of COVID-19; or (iv) take, or refrain from taking, any reasonable action in accordance with prudent industry practices for an offshore oilfield services business; provided that, to the extent reasonably practicable, the Company Parties shall provide notice to, and consult with, the Required Backstop Parties prior to taking any action authorized by clause (i) and (iii) or otherwise as soon as reasonably practicable thereafter.

- (b) Blue Sky. The Company or the Equity Issuer, as applicable, shall, on or before the Restructuring Effective Date, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the New Shares to be issued pursuant to this Backstop Commitment Letter, at the Restructuring Effective Date, under applicable securities and "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification). The Company or the Equity Issuer, as applicable, shall timely make all filings and reports relating to the offer and sale of the Replacement Shares, if any, issued hereunder required under applicable securities and "Blue Sky" laws of the states of the United States following the Restructuring Effective Date. The Company or the Equity Issuer, as applicable, shall pay all fees and expenses in connection with satisfying its obligations under this Section 7(b).
- (c) Rights Offering. The Company shall use commercially reasonable efforts to take or cause to be taken all actions, and do or cause to be done all things, reasonably necessary, proper or advisable in order to consummate and effectuate the Rights Offering in accordance with the Plan, the PSA, the Restructuring Documents, Disclosure Statement Order, the Rights Offering Documents and this Backstop Commitment Letter.

- (d) DTC Eligibility. Unless otherwise requested by the Required Backstop Parties, the Company shall use commercially reasonable efforts to promptly make all New Shares deliverable to the Backstop Parties eligible for deposit with The Depository Trust Company.
- (e) Milestones. The Debtors shall (and shall cause the other Company Parties to) complete the Restructuring Transactions in accordance with the deadlines specified below, which deadlines in all cases may be extended by written agreement of the Required Backstop Parties (collectively, the “Milestones”):
  - i. entry of an order of the Bankruptcy Court approving the Disclosure Statement and the Company Parties’ entry into the Backstop Commitment Letter and the payment of all applicable fees and performance obligations related thereto within forty-five (45) days of the Agreement Effective Date;
  - ii. entry of an order of the Bankruptcy Court confirming the Plan within one hundred five (105) days of the Agreement Effective Date; and
  - iii. occurrence of the Restructuring Effective Date within one hundred sixty-five (165) days of the Agreement Effective Date (the “Outside Date”).
- (f) Listing. The Debtors shall effect the listing of the New Shares (i) on either the New York Stock Exchange or the Oslo Stock Exchange on or as soon as reasonably practicable after, and in any event, within six (6) weeks of the Restructuring Effective Date; provided that an extension of up to three (3) weeks of the foregoing deadline may be permitted with the consent of the Required Backstop Parties and (ii) on the New York Stock Exchange and the Oslo Stock Exchange on or as soon as reasonably practicable after, and in any event within three (3) months of, the Restructuring Effective Date or, in each case, if in the reasonable judgment of the board of directors of the Company or the Equity Issuer, as applicable, such listing on the New York Stock Exchange is not feasible in accordance with the listing requirements thereof, then on another nationally recognized stock exchange.
- (g) Equity Issuer. To the extent the Equity Issuer is not a party to this Backstop Commitment Letter, prior to the Closing, the Company shall cause such Equity Issuer to execute and deliver a joinder to this Backstop Commitment Letter (in form and substance reasonably satisfactory to the Required Backstop Parties).
- (h) Registration Rights Agreement. From and after the Closing, the Backstop Parties shall be entitled to registration rights with respect to the New Shares issued in connection with the Rights Offering, the Backstop Commitment and this Backstop Commitment Letter, in each case, that are issued other than pursuant to Section 1145 of the Bankruptcy Code, or that are deemed to be securities held by affiliates under applicable securities Laws, pursuant to a customary registration rights agreement in form and substance consistent with the terms set forth in this Backstop Commitment Letter and the PSA and otherwise on terms and conditions reasonably satisfactory to the Company and the Required Backstop Parties (the “Registration Rights Agreement”).
- (i) Further Assurances. Without in any way limiting any other obligation of the Company Parties in this Backstop Commitment Letter, the Debtors and, as of the Closing, the Equity Issuer shall (and shall cause each of the Company Parties to) use commercially reasonable efforts to take or cause to be taken all actions, and do or cause to be done all things,



reasonably necessary, and as any Backstop Party may reasonably request, in order to consummate and make effective the transactions contemplated by this Backstop Commitment Letter.

(j) Antitrust Approval.

- i. The Company and each Backstop Party agrees to use commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to obtain any antitrust approvals required or advisable under any Antitrust Laws (“Antitrust Approvals”) in order to consummate and make effective the transactions contemplated by this Backstop Commitment Letter and the other Restructuring Transactions, including (A) if applicable, filing, or causing to be filed, the Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated by this Backstop Commitment Letter with the Antitrust Division of the United States Department of Justice (“DOJ”) and the United States Federal Trade Commission (“FTC”) within fifteen (15) Business Days of the date of this Backstop Commitment Letter, and submit as promptly as practicable any other filings, notifications or other forms required or advisable in order to obtain any Antitrust Approvals (other than the HSR Filing) as soon as reasonably practicable following the date hereof and, when available, shall request expedited treatment of any such filings (including requesting early termination of any applicable waiting periods under the HSR Act) and (B) promptly furnishing documents or information reasonably requested by any Antitrust Authority.
- ii. Each Backstop Party, subject to an obligation pursuant to the Antitrust Laws to notify any transaction contemplated by this Backstop Commitment Letter or the other Restructuring Transactions will notify the Company in writing of such obligation (each such Backstop Party, a “Filing Party”), agree to reasonably cooperate with the Company as to the content of any antitrust filings and notifications, and the Company agrees that the Backstop Parties, acting reasonably, shall solely determine whether the making of any antitrust filing or notification, other than an HSR Filing, is necessary or advisable. The Company and each Filing Party shall, to the extent permitted by applicable Law, use reasonable endeavors to (A) promptly notify each other of, and if in writing, furnish each other with copies of (or, in the case of material oral communications, advise each other orally of) any communications from or with an Antitrust Authority, subject to confidentiality obligations and the need to protect business secrets and other confidential or competitively sensitive information; (B) where reasonably practicable, not participate in any meeting with an Antitrust Authority unless it consults with each other Filing Party and the Company, as applicable, in advance and, to the extent permitted by the Antitrust Authority and applicable Law, give each other Filing Party and the Company, as applicable, a reasonable opportunity to attend and participate thereat; (C) furnish each other Filing Party and the Company, as applicable, with copies of all correspondence, filings and communications between such Filing Party or the Company and the Antitrust Authority, subject to confidentiality obligations and the need to protect business secrets and other confidential or competitively sensitive information; (D) furnish each other Filing Party with such necessary information and reasonable assistance as may be reasonably necessary in connection with the preparation of any antitrust filing, notification or submission of information to the Antitrust Authority, subject to applicable Law, confidentiality obligations and the need to protect business

secrets and other confidential or competitively sensitive information; (E) provide to, and afford reasonable opportunity of comment and review by, each other Filing Party and the Company of any material correspondence filings (excluding any HSR filings) and communications with any Antitrust Authority in advance of any filing, execution, distribution or use (as applicable) thereof; and (F) not withdraw its filing, if any, under the HSR Act or any other filing to any Antitrust Authority without the prior written consent of the Requisite Backstop Parties and the Company.

- iii. Notwithstanding anything in this Backstop Commitment Letter to the contrary, nothing shall require any Backstop Party or any of its Affiliates, Related Funds or Delegates to (A) dispose of, license or hold separate any of its or its Subsidiaries' or Affiliates', Related Funds' or Delegates' assets, (B) limit its freedom of action or the conduct of its or its Subsidiaries' or Affiliates', Related Funds' or Delegates' businesses or make any other behavioral commitments with respect to itself or any of its Subsidiaries or Affiliates, Related Funds or Delegates, (C) divest any of its Subsidiaries or its Affiliates, Related Funds or Delegates, or (D) commit or agree to any of the foregoing. Without the prior written consent of the Requisite Backstop Parties, neither the Company nor any of the other Debtors shall commit or agree to (x) dispose of, license or hold separate any of its assets or (y) limit its freedom of action with respect to any of its businesses or commit or agree to any of the foregoing, in each case, in order to secure any necessary consent or approvals for the transactions contemplated hereby under the Antitrust Laws. Notwithstanding anything to the contrary herein, neither the Backstop Parties, nor any of their Affiliates, Related Funds or Delegates, nor the Company or any of the other Debtors, shall be required as a result of this Backstop Commitment Letter, to initiate any legal action against, or defend any litigation brought by, the United States Department of Justice, the United States Federal Trade Commission, or any other Governmental Authority in order to avoid the entry of, or to effect the dissolution of, any injunction, temporary restraining order or other order in any suit or proceeding which would otherwise have the effect of preventing or materially delaying the transactions contemplated hereby, or which may require any undertaking or condition set forth in the preceding sentence.

#### 8. ***Conditions to the Backstop Parties' Obligations***

The obligation of the Backstop Parties to fund the Backstop Commitment and the Rights Offering Commitment shall be subject to the satisfaction (unless waived by the Required Backstop Parties) of each of the following conditions on the Restructuring Effective Date:

- (a) Certain Documents. Each of the (i) New Credit Facilities Documentation, (ii) Description of Transaction Steps, (iii) New Organizational Documents, (iv) Rights Offering Documents, (v) Confirmation Order, and any other Restructuring Documents shall be in form and substance reasonably acceptable to the Required Backstop Parties and the Company; provided that any provision of the New Credit Facility Documentation (or any other Definitive Documents) that would result in or constitute a Lender Term Change (in each case relative to what is set forth in the New Credit Facilities Term Sheet, as of the date hereof) shall require the written consent of 100% of the Backstop Parties.
- (b) Agreements. The PSA and this Backstop Commitment Letter shall not have been terminated.



- (c) Confirmation Order. The Confirmation Order shall have been entered by the Bankruptcy Court, shall not have been reversed or vacated and shall not be stayed.
- (d) Rights Offering. The Rights Offering shall have been conducted in all material respects in accordance with this Backstop Commitment Letter and the Rights Offering Documents, and the rights offering shall have expired in accordance with the terms of the Rights Offering Procedures.
- (e) Representations and Warranties. The representations and warranties of the Debtors contained in Sections 6(a) through 6(d) of this Backstop Commitment Letter shall be true and correct, and the representations and warranties in Section 6(e) and Section 6(f) of this Backstop Commitment Letter shall be true and correct in all material respects, in each case, on and as of the Restructuring Effective Date after giving effect to the Plan with the same effect as if made on and as of the Restructuring Effective Date after giving effect to the Plan (except for such representations and warranties made as of a specified date, which shall be true and correct only as of the specified date).
- (f) Covenants. Each of the Debtors shall have performed and complied, in all material respects, with all of its respective covenants and agreements contained in this Backstop Commitment Letter that contemplate, by their terms, performance or compliance prior to the Restructuring Effective Date.
- (g) Material Adverse Effect. Since the date of this Backstop Commitment Letter, there shall not have been, nor shall there have occurred any Event that would reasonably be expected to result in, a Material Adverse Effect.
- (h) Officer's Certificate. The Backstop Parties shall have received on and as of the Restructuring Effective Date a certificate of the chief executive officer or chief financial officer of the Company confirming that the conditions set forth in Section 8(e), (f) and (g) have been satisfied.
- (i) No Legal Impediment. No Law or order shall have been enacted, adopted or issued and remain by any Governmental Authority that prohibits the consummation of the Rights Offering or the transactions contemplated by this Backstop Commitment Letter.
- (j) Consents. (i) All governmental and third-party notifications, filings, consents, waivers and approvals required for the consummation of the transactions contemplated by this Backstop Commitment Letter and the Plan, including the issuance of the New Shares, shall have been made or received and (ii) all applicable waiting periods (including the waiting period (and any extension thereof, or any timing agreements, understandings or commitments obtained by request or other action of the FTC and/or the DOJ, as applicable) under the HSR Act or any other applicable competition Laws (and any extensions thereof)) shall have expired without any action being taken or threatened by any Governmental Authority that would restrain, prevent or otherwise impose materially adverse conditions on any of the transactions contemplated by this Backstop Commitment Letter and the Plan.
- (k) Funding Notice. Each of the Backstop Parties shall have received a Funding Notice in accordance with Section 4(a).
- (l) Expense Reimbursement. The Debtors shall have paid the Expense Reimbursement in accordance with Section 11 of this Backstop Commitment Letter.

- (m) Registration Rights Agreement. The Registration Rights Agreement shall have been executed and delivered by the Company or the Equity Issuer (as applicable) and shall become effective on the Restructuring Effective Date with respect to the Company or the Equity Issuer (as applicable), the Backstop Parties and any other parties thereto.

The obligation of the Company to consummate the transactions contemplated hereby shall be subject to the satisfaction (unless waived by the Company) of each of the following conditions on the Restructuring Effective Date:

- (n) Representations and Warranties. The representations and warranties of the Backstop Parties contained in this Backstop Commitment Letter shall be true and correct in all material respects on and as of the Restructuring Effective Date with the same effect as if made on and as of the Restructuring Effective Date (except for such representations and warranties made as of a specified date, which shall be true and correct only as of the specified date).
- (o) Consents. All governmental notifications, filings, consents, waivers, and approvals required for the consummation of the transactions contemplated by this Backstop Commitment Letter and the Plan, including the issuance of the New Shares, shall have been made or received.
- (p) No Legal Impediment. No Law or order shall have been enacted, adopted or issued and remain by any applicable Governmental Authority that prohibits the consummation of the Rights Offering or the transactions contemplated by this Backstop Commitment Letter.
- (q) Covenants. Each of the Backstop Parties shall have performed and complied, in all material respects, with all of its respective covenants and agreements contained in this Backstop Commitment Letter that contemplate, by their terms, performance or compliance prior to the Restructuring Effective Date.

## 9. *Closing*

- (a) Unless otherwise mutually agreed in writing between the Company and the Required Backstop Parties, the closing of the Revolving Credit Facility and the Term Loan Facility and the issuance in connection therewith of the Participation Equity (the “Closing”) shall take place on the date that is the third (3rd) Business Day after all of the conditions set forth in Section 8 and the Plan have been satisfied or waived in accordance with this Backstop Commitment Letter or the Plan as applicable (other than conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) at the offices of Kirkland & Ellis at 601 Lexington Avenue, New York City, New York, at 10:00 a.m., New York City time. The date on which the Closing actually occurs shall be referred to herein as the “Restructuring Effective Date.”
- (b) At the Closing, the Required Backstop Parties and the Company shall instruct the Escrow Agent to release and deliver the funds held in the Designated Account to the Borrower (or its designee(s)), by wire transfer in immediately available funds in U.S. dollars, in accordance with the Plan in satisfaction of such Backstop Party’s obligations hereunder.
- (c) At the Closing, each Backstop Party shall (or shall procure that its designated affiliates, Related Funds or Delegates) deliver to the Borrower and other Backstop Parties duly and validly executed counterparts of the New Credit Facilities Documentation.

- (d) At the Closing, the Borrower shall deliver, or cause to be delivered, to the Backstop Parties duly and validly executed counterparts of the New Credit Facilities Documentation.
- (e) At the Closing, the Equity Issuer will issue, and provide instructions to the applicable transfer agent to deliver, (i) the RO Participation Equity in an amount equal to the RO Participation Allocation to each Rights Offering Participant (which may also be a Backstop Party) that subscribes to Rights and performs its obligations in connection with the Rights Offering (or this Backstop Commitment Letter), (ii) the BP Participation Equity in an amount equal to the BP Participation Allocation to each Backstop Party and/or Cover Person (if applicable), without duplication of any amounts issued pursuant to clause (i), and (iii) the Equity Commitment Premium to each Backstop Party (in accordance with Part I of Schedule I hereto) and/or Cover Person (if applicable), in each case, to the account of each Rights Offering Participant, Backstop Party or Cover Person (or to such other accounts as any Backstop Party may designate in accordance with this Backstop Commitment Letter) against payment of the Closing Loans. The entry of any New Shares into the account of a Backstop Party (or its designee) pursuant to the Equity Issuer's book entry procedures, and delivery to such Backstop Party of an account statement reflecting the book entry of such New Shares, shall be deemed delivery of such New Shares for purposes of this Backstop Commitment Letter. All New Shares will be delivered with all issue, stamp, transfer, sales and use, or similar taxes or duties that are due and payable (if any) in connection with such delivery duly paid by the Debtors (as applicable).

10. ***Commitment Premium and Commitment Fee***

- (a) As consideration for the Backstop Commitment of each Backstop Party and the other agreements of the Backstop Parties in this Backstop Commitment Letter, the Debtors shall pay or cause to be paid to each Backstop Party its share of a premium (the "Commitment Premium") equal to 7.5% of the \$300 million in total commitments under the New Credit Facilities (calculated by multiplying the total Commitment Premium by the percentage set forth beside such Backstop Party's name in Part I of Schedule I attached hereto), which Commitment Premium shall be fully earned by the Backstop Parties and paid in cash by the Debtors promptly (and in any case within one (1) Business Day) following the entry of the Approval Order by the Bankruptcy Court.
- (b) The provisions for the payment of the Commitment Premium and the Equity Commitment Premium are an integral part of the transactions contemplated by this Backstop Commitment Letter and without these provisions the Backstop Parties would not have entered into this Backstop Commitment Letter, and the Commitment Premium shall constitute an allowed administrative expense of the Debtors' estates under Sections 503(b) and 507 of the Bankruptcy Code, and shall not be subject to set-off, recharacterization, avoidance, or disallowance.
- (c) The Commitment Premium shall be fully earned, nonrefundable and non-avoidable upon the entry of the Approval Order by the Bankruptcy Court in accordance with Section 10(a). For the avoidance of doubt, the Commitment Premium and the Equity Commitment Premium (i) will be nonrefundable and non-avoidable when paid (except as set forth in Section 3(b)) and (ii) will be payable as provided herein, irrespective of the amount of the Closing Loan actually funded as a result of the Backstop Commitment.
- (d) Each of the Parties hereto agrees that, for U.S. federal income tax purposes, (i) the Commitment Premium and the Equity Commitment Premium shall be treated as paid in

exchange for the issuance of a put right with respect to the Uncommitted Revolver Amount and the Uncommitted Term Loan Amount and (ii) the Commitment Premium shall not be treated as paid in respect of any Claim against any Debtor.

11. ***Expense Reimbursement***

- (a) Whether or not the transactions contemplated hereunder are consummated, the Debtors agree to pay the documented, reasonable third-party fees and expenses of each Backstop Party, including the reasonable and documented fees and expenses of counsel and other professionals retained by such Backstop Party, that have been and are incurred in connection with the negotiation, preparation and implementation of the Backstop Commitment and the Rights Offering, the Backstop Parties' negotiation, preparation and implementation of this Backstop Commitment Letter (including the Backstop Commitment and the other transactions contemplated hereby), the Registration Rights Agreement, the Plan, the Chapter 11 Cases, the Definitive Documents and the other agreements contemplated hereby and thereby and all other definitive documents necessary to consummate the restructuring contemplated in the PSA (collectively, the "Restructuring Documents"), including, but not limited to, the fees and expenses (and retainers) of Weil, Gotshal & Manges LLP, Lazard Ltd., White & Case LLP and Moelis & Company in accordance with the terms of their respective engagement letters (the "Expense Reimbursement"). The Debtors shall pay the Expense Reimbursement on a current basis notwithstanding anything to the contrary in the *Final Order (I) Authorizing the Use of the Debtors' Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* [ECF No. 253] and the *Order (I) Authorizing the Continued Use of Cash Collateral and (II) Granting Related Relief* [ECF No. 671], as amended or extended from time to time (the "Cash Collateral Order"). For the avoidance of doubt, if the Cash Collateral Order is terminated or modified to no longer provide for the payment of the fees and expenses of the Ad Hoc Group and CoCom, the Debtors shall remain obligated to pay all Expense Reimbursement obligations hereunder without the need for further authorization from the Bankruptcy Court. The Debtors shall request that the Confirmation Order authorize payment of any remaining unpaid Expense Reimbursement on the Restructuring Effective Date and the Closing shall be conditioned on the Debtors' payment of any Expense Reimbursement invoiced to the Debtors at least one (1) Business Day prior to Closing. The Debtors shall provide copies of any Expense Reimbursement invoices to the advisors to the CoCom and the Ad Hoc Group within 24 hours of receipt thereof. All Expense Reimbursement obligations shall constitute allowed administrative expenses of the Debtors under Sections 503(b) and 507 of the Bankruptcy Code and shall not be subject to set-off, recharacterization, avoidance, or disallowance.

12. ***Indemnification***

- (a) Whether or not the transactions contemplated hereby are consummated, the Debtors jointly and severally agree to (i) indemnify and hold harmless the Backstop Parties, their affiliates, and their and their affiliates' respective directors, officers, employees, affiliates, equity holders, members, partners, general partners, managers, any funds, accounts or investment vehicles that are controlled, managed, advised or subadvised by any such Backstop Party or any investment manager or advisor that controls, manages, advises or subadvises any such Backstop Party (each, a "Related Fund"), Delegates, and any other representative or controlling Person of each such entity (each, an "Indemnified Person") from and against any and all losses, claims, litigation, damages, liabilities and expenses ("Losses") that any

such Person, joint or several, may incur, become subject, have asserted against it, or be involved in as a result of or arising out of this Backstop Commitment Letter (including the proposed Backstop Commitment contemplated hereby or the Commitment Premium), the Plan, the matters and transactions contemplated hereby or thereby (including the Rights Offering), the use of proceeds thereunder or any claim, litigation, investigation or proceeding (each, an “Action”) relating to any of the foregoing, regardless of whether any of such Indemnified Persons is a party thereto, and regardless of which Person brought the applicable Action; and (ii) reimburse each Indemnified Person upon demand for reasonable documented (subject to redaction to preserve attorney client and work product privileges) out-of-pocket legal or other third-party expenses incurred in connection with investigating, preparing to defend or defending, or providing evidence in or preparing to serve or serving as a witness with respect to, any lawsuit, investigation, claim or other proceeding relating to any of the foregoing (including in connection with the enforcement of the indemnification obligations set forth herein), irrespective of whether or not the transactions contemplated by this Backstop Commitment Letter or the Plan are consummated or whether or not this Backstop Commitment Letter is terminated (each, an “Indemnified Claim”); provided that the foregoing indemnity will not, as to any Indemnified Person, apply to Losses (including any Losses that may be incurred as a result of entry into the New Credit Facilities or as a holder of the New Shares) (i) of a Defaulting Backstop Commitment Party or its Related Funds or any Indemnified Person related thereto, or (ii) to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction (x) to arise from, with respect to such indemnity obligations of all of the Debtors, the fraud, bad faith, or willful misconduct of such Indemnified Person or (y) to arise from, with respect to such indemnity obligations of the Company, the dishonesty (as each term is defined under Bermuda Law) of such Indemnified Person.

- (b) Notwithstanding any other provision of this Backstop Commitment Letter, no Party shall be liable for any special, indirect, or punitive damages for a breach of its obligations under this Backstop Commitment Letter, except to the extent (i) arising from a third-party claim or (ii) such damages were reasonably foreseeable and are recoverable under applicable contract law. The terms set forth in this Section 12 shall survive termination of this Backstop Commitment Letter and shall remain in full force and effect regardless of whether the documentation for the transactions contemplated hereby are executed and delivered.
- (c) In case any such Indemnified Claims are brought against any Indemnified Person and it notifies the Debtors of the commencement thereof, the Debtors will be entitled to participate therein and, to the extent that it may elect by written notice delivered to such Indemnified Person, to assume the defense thereof, with counsel reasonably acceptable to such Indemnified Person; provided that, if the parties (including any impleaded parties) to any such Indemnified Claims include both such Indemnified Person and the Debtors and based on advice of such Indemnified Person’s counsel there are legal defenses available to such Indemnified Person that are different from or additional to those available to the Debtors, such Indemnified Person shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such Indemnified Claims. Upon receipt of notice from the Debtors to such Indemnified Person of its election to so assume the defense of such Indemnified Claims with counsel reasonably acceptable to the Indemnified Person, the Debtors shall not be liable to such Indemnified Person for expenses incurred by such Indemnified Person in connection with the defense thereof (other than reasonable costs of investigation) unless (i) such Indemnified Person shall have employed separate counsel (in addition to any local counsel) in connection with the assertion of legal defenses in accordance with the proviso to the immediately preceding



sentence (it being understood, however, that the Debtors shall not be liable for the expenses of more than one separate counsel representing the Indemnified Persons who are parties to such Indemnified Claims (in addition to one local counsel in each jurisdiction in which local counsel is required) and that all such expenses shall be reimbursed as they occur), (ii) the Debtors shall not have employed counsel reasonably acceptable to such Indemnified Person to represent such Indemnified Person within a reasonable time after notice of commencement of the Indemnified Claims, (iii) after the Debtors assume the defense of the Indemnified Claims, the Indemnified Person determines in good faith that the Debtors have failed or are failing to defend such Action and provides written notice of such determination and the basis for such determination and such failure is not reasonably cured within ten (10) Business Days of receipt of such notice, or (iv) the Debtors shall have authorized in writing the employment of counsel for such Indemnified Person. Notwithstanding anything herein to the contrary, the Debtors shall have sole control over any tax controversy or tax audit and shall be permitted to settle any liability for taxes of the Debtors.

- (d) The Debtors shall not be liable for any settlement of any Indemnified Claims effected without their written consent (which consent shall not be unreasonably withheld, conditioned, or delayed). If any settlement of any Indemnified Claims is consummated with the written consent of the Debtors or if there is a final judgment for the plaintiff in any such Indemnified Claims, the Debtors agree to indemnify and hold harmless each Indemnified Person from and against any and all Losses by reason of such settlement or judgment to the extent such Losses are otherwise subject to indemnification by the Debtors hereunder, in accordance with, and subject to the limitations of, this Backstop Commitment Letter. The Debtors shall not, without the prior written consent of an Indemnified Person (which consent shall be granted or withheld, conditioned, or delayed in the Indemnified Person's sole discretion), effect any settlement of any pending or threatened Indemnified Claims in respect of which indemnity or contribution has been sought hereunder by such Indemnified Person unless (i) such settlement includes an unconditional release of such Indemnified Person in form and substance reasonably satisfactory to such Indemnified Person from all liability on the claims that are the subject matter of such Indemnified Claims and (ii) such settlement does not include any statement as to or any admission of fault, culpability, or a failure to act by or on behalf of any Indemnified Person.
- (e) Except with respect to the terms of this Backstop Commitment Letter that are to be performed after the Restructuring Effective Date (including the obligations under this Section 12), the terms of this Backstop Commitment Letter shall not survive the Restructuring Effective Date. The obligations of the Debtors to satisfy their indemnification obligations as set forth herein, and the Backstop Parties' rights in respect thereof, shall survive the termination of any Backstop Commitment or this Backstop Commitment Letter.

13. ***Termination***

- (a) This Backstop Commitment Letter may be terminated by mutual written agreement of the Required Backstop Parties and the Company, or by written notice provided by (x) the Required Backstop Parties to the Company with respect to those matters set forth in (i), (ii), (iii), (iv), (v), (vii) and (viii) of this Section 13 and (y) the Company to the Required Backstop Parties with respect to those matters set forth in (ii), (vi) and (ix) of this Section 13:

- i. the Debtors have failed to make payment of the Commitment Premium to the Backstop Parties in cash before 5:00 p.m. (New York time) on the date that is three (3) Business Days following the date of entry of the Approval Order by the Bankruptcy Court authorizing payment by the Debtors of the Commitment Premium;
- ii. any applicable Law or final and non-appealable order shall have been enacted, adopted or issued by any Governmental Authority that prohibits the implementation of the Plan, the Rights Offering or the transactions contemplated by this Backstop Commitment Letter;
- iii. there is a material breach by any Debtor of any of its obligations under this Backstop Commitment Letter, that remains uncured until the earlier of (x) ten (10) Business Days following the earlier of (I) any Debtor becoming aware of such breach and (II) receipt of written notice (which may include through electronic means) of such breach by the Required Backstop Parties and (y) one (1) Business Day prior to the Outside Date;
- iv. (x) any Definitive Document (other than the New Credit Facilities Documentation and the Description of Transaction Steps) is executed or filed by a Debtor that includes terms (by amendment or otherwise) that are inconsistent in any material respect with this Backstop Commitment Letter or the PSA (including the Plan and the Term Sheets) or (y) the New Credit Facilities Documentation or the Description of Transaction Steps are inconsistent with this Backstop Commitment Letter (including the Plan and the Term Sheets) or the PSA, in each case, unless such inconsistency has been approved in writing by the Required Backstop Parties; provided that this termination right shall only apply if such event remains uncured for ten (10) Business Days after transmittal of a written notice in accordance with Section 15(u) hereof detailing any such inconsistent terms;
- v. without the prior written consent of the Required Backstop Parties, any of the Chapter 11 Cases shall have been dismissed or converted to a case under chapter 7 of the Bankruptcy Code, or the Bankruptcy Court has entered an order in any of the Chapter 11 Cases appointing an examiner or trustee with expanded powers to oversee or operate the Debtors in the Chapter 11 Cases;
- vi. the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel, (A) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties under applicable law or (B) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal;
- vii. material changes are made to the members of the board of directors, board of managers, or such similar governing body of any Company Party without the consent of the Required Backstop Parties (such consent not to be unreasonably withheld, conditioned or delayed) and such changes are not reversed within ten (10) Business Days after the transmittal of a written notice in accordance with Section 15(u) hereof detailing such matters;
- viii. the failure to meet any of the Milestones set forth in Section 7(e); or
- ix. subject to the right of the Backstop Parties to make a Covered Backstop Commitment (which will be deemed to cure any breach that would otherwise give rise to a



termination right under this clause (ix)), one or more Backstop Parties have breached any representation, warranty covenant or other agreement in this Backstop Commitment Letter or any such representation and warranty has become inaccurate after the date of this Backstop Commitment Letter and such breach or inaccuracy would, individually or in the aggregate, cause the condition set forth in Section 8(n) or 8(q) to not be satisfied, (x) the Company has delivered written notice of such breach or inaccuracy to the applicable Backstop Parties, (y) such breach or inaccuracy is not cured by the applicable Backstop Parties by the tenth (10th) Business Day after the Company transmits such written notice and (z) as a result of such failure to cure, any condition set forth in Section 8(n) or 8(q) is not capable of being satisfied at such time.

- (b) This Backstop Commitment Letter shall automatically terminate (i) as to all Backstop Parties upon the termination of the PSA as to all Backstop Parties in accordance with its terms, or (ii) as to a Backstop Party and all of such Backstop Party's obligations under this Backstop Commitment Letter (including its Backstop Commitment and Rights Offering Commitment), (A) if the PSA is terminated as to such Backstop Party or any of its Affiliates or Related Funds or (B) upon written notice from such Backstop Party to the Company, at any time following the date that is one hundred eighty (180) days following the Agreement Effective Date.
- (c) Upon termination of this Backstop Commitment Letter, this Backstop Commitment Letter shall become void and of no force or effect and there shall be no further obligations or liabilities on the part of any of the Parties; provided that (i) the obligations of the Debtors to pay the Commitment Premium and satisfy their expense reimbursement obligations as set forth herein arising prior to such termination, and the Backstop Parties' rights in respect thereof, as well as the provisions set forth in Sections 12, 13, 14 and 15 (including, without limitation, confidentiality obligations), (ii) the obligations of a Defaulting Backstop Party under Section 3, and (iii) this paragraph, shall, in each case, survive the termination of any Backstop Commitment or this Backstop Commitment Letter and remain in full force and effect. Notwithstanding anything herein to the contrary, no termination of this Backstop Commitment Letter shall relieve any Party from liability arising from any willful or intentional breach of this Backstop Commitment Letter prior to the termination thereof.

14. ***Definitions***

- (a) "Ad Hoc Group" means the ad hoc group of secured credit facility lenders as disclosed in the Supplemental Verified Statement Regarding Ad Hoc Group of Lenders Pursuant to Bankruptcy Rule 2019 [ECF No. 720], as may be amended from time to time.
- (b) "Antitrust Authorities" means the United States Federal Trade Commission, the Antitrust Division of the United States Department of Justice, the attorneys general of the several states of the United States and any other Governmental Entity, whether domestic or foreign, having jurisdiction pursuant to the Antitrust Laws, and "Antitrust Authority" means any of them.
- (c) "Antitrust Laws" means any Law governing agreements in restraint of trade, monopolization, merger or pre-merger notification, the lessening of competition through merger or acquisition or anti-competitive conduct, including the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act and the Federal Trade Commission Act.

- (d) “Approval Order” means an order, in form and substance reasonably satisfactory to the Required Backstop Parties and the Company, entered by the Bankruptcy Court approving the Debtors’ entry into this Backstop Commitment Letter and the performance of all of the Debtors’ obligations hereunder arising before entry of the Confirmation Order, including, without limitation, payment of the Commitment Premium in accordance with the terms hereof.
- (e) “Business Day” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in New York, Oslo, Norway and London, England.
- (f) “Claim” has the meaning set forth in section 101(5) of the Bankruptcy Code.
- (g) “CoCom” means the coordinating committee of agents and lenders, as disclosed in the Verified Statement of the Coordinating Committee of Secured Lenders and Agents Pursuant to Bankruptcy Rule 2019 [ECF No. 220], as may be amended from time to time.
- (h) “Confirmation Order” means an order of the Bankruptcy Court confirming the Plan under section 1129 of the Bankruptcy Code, which order shall be in form and substance acceptable to the Required Backstop Parties.
- (i) “COVID-19” means both the viral pneumonia named coronavirus disease 2019 (COVID-19) by the World Health Organization and the virus named Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2) by the International Committee on Taxonomy of Viruses and any mutations thereof or related or associated epidemics, pandemics or disease outbreaks.
- (j) “Credit Agreement Claim” means any Claim arising under or in connection with the Prepetition Credit Agreement or the Prepetition Finance Documents, including Claims based on a Debtor’s guarantee of obligations thereunder.
- (k) “Delegate” means any financial institution, fund or other entity designated in writing by a Backstop Party prior to the Restructuring Effective Date to join as a lender under the Revolving Credit Facility or the Term Loan Facility with respect to some or all of the amounts to be loaned thereunder by such Backstop Party.
- (l) “Equity Issuer”<sup>1</sup> means the Company or another Person that is or is to be the ultimate parent company of the Reorganized Company Parties on the Restructuring Effective Date.
- (m) “Event” means any event, development, occurrence, circumstance, effect, condition, result, state of facts or change.
- (n) “GAAP” means U.S. generally accepted accounting principles.
- (o) “Governmental Authority” means any U.S. or non-U.S. international, regional, federal, state, municipal or local governmental, judicial, administrative, legislative or regulatory authority, entity, instrumentality, agency, department, commission, court or tribunal of competent jurisdiction (including any branch, department, or official thereof).

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<sup>1</sup> The Equity Issuer will be a Bermuda exempted company limited by shares and the equity to be issued under the Plan and this Backstop Commitment Letter will be common shares unless otherwise consented to in writing by the Ad Hoc Group and the CoCom.

- (p) “HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.
- (q) “Interest” means the common stock, preferred stock, limited liability company interests, and any other equity, ownership, or profits interests of any Debtor, including, without limitation, options, warrants, rights, or other securities or agreements to acquire the common stock, preferred stock, limited liability company interests, or other equity, ownership, or profits interests of any Debtor (whether or not arising under or in connection with any employment agreement); provided, however, that the term “Interests” shall not include Intercompany Interests (as defined in the Plan).
- (r) “Market Event” means (i) any change in the global, national, or regional political conditions (including civil unrest, riots, hostilities, acts of war, sabotage, terrorism or military actions or any escalation or material worsening of any such actions) or in the global, national or regional financial or economic conditions affecting the industries, regions and markets in which the Debtors operate, including any change in the United States or applicable foreign economies or securities, commodities (including oil and natural gas) or financial markets, (ii) changes in the market price or trading volume of the equity or debt securities of the Company or any other Debtor (but not the underlying facts giving rise to such changes unless such facts are otherwise excluding pursuant to a different clause in this Backstop Commitment Letter), (iii) earthquakes, any weather-related event, natural disasters or outbreak or escalation of hostilities or acts of war or terrorism, (iv) any changes after the date hereof in applicable Law or GAAP or enforcement thereof, (v) any epidemic, pandemic or disease outbreak (including the COVID-19 pandemic), or any Law, regulation, statute, directive, pronouncement or guideline issued by a Governmental Authority, the Centers for Disease Control and Prevention, or the World Health Organization, “sheltering-in-place,” curfews or other restrictions that relate to, or arise out of, an epidemic, pandemic or disease outbreak (including the COVID-19 pandemic) or any change in such Law, regulation, statute, directive, pronouncement or guideline or interpretation thereof following the date of this Backstop Commitment Letter or any material worsening of such conditions threatened or existing as of the date hereof, and (vi) declarations of national emergencies in the countries where any Debtor conducts a material portion of business.
- (s) “Material Adverse Effect” means one or more Events or a series of Events that taken alone or together has or would reasonably be expected to have a material adverse effect on (i) the Debtors’ ability to implement any of the Restructuring Transactions or (ii) the business, assets, liabilities, finances, properties, results of operations or condition (financial or otherwise) of the Company Parties, other than, in the case of clause (ii), any Event arising from or related to the following: (A) any Market Event, provided that this exception shall not apply to the extent that any such Market Event is disproportionately adverse to the Company Parties, taken as a whole, as compared to other companies in the industries in which the Company Parties operates; or (B) the execution, announcement or performance of this Backstop Commitment Letter or other definitive documents or the transactions contemplated hereby or thereby.
- (t) “New Credit Facilities Documentation” means the definitive documentation with respect to the New Credit Facilities.
- (u) “Person” means any individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited partnership, trust, estate, unincorporated

organization, governmental unit (as defined in section 101(27) of the Bankruptcy Code), or other entity (as defined in Section 101(15) of the Bankruptcy Code).

- (v) “Willful or intentional breach” means a breach of this Backstop Commitment Letter that is a consequence of an act undertaken by the breaching party with the knowledge (actual or constructive) that the taking of such act would, or would reasonably be expected to, cause a breach of this Backstop Commitment Letter; it being acknowledged and agreed, without limitation, that any failure by any Party to consummate the transactions contemplated hereby in accordance with the terms herein after the applicable conditions thereto have been satisfied or waived shall constitute a willful or intentional breach.

15. *Miscellaneous*

- (a) THIS BACKSTOP COMMITMENT LETTER SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES HERETO SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. EACH PARTY HERETO AGREES THAT IT SHALL BRING ANY ACTION OR PROCEEDING IN RESPECT OF ANY CLAIM ARISING OUT OF OR RELATED TO THIS BACKSTOP COMMITMENT LETTER ONLY IN THE BANKRUPTCY COURT AND, SOLELY IN CONNECTION WITH CLAIMS ARISING UNDER THIS BACKSTOP COMMITMENT LETTER, (I) IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE BANKRUPTCY COURT, (II) WAIVES ANY OBJECTION TO LAYING VENUE IN ANY SUCH ACTION OR PROCEEDING IN THE BANKRUPTCY COURT, AND (III) WAIVES ANY OBJECTION THAT THE BANKRUPTCY COURT IS AN INCONVENIENT FORUM OR DOES NOT HAVE JURISDICTION OVER ANY PARTY HERETO. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT, OR ATTORNEY OF ANY OTHER PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS BACKSTOP COMMITMENT LETTER BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS PARAGRAPH.
- (b) Notwithstanding anything to the contrary in this Backstop Commitment Letter, each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the right to: (i) solicit, consider, respond to, and facilitate Alternative Restructuring Proposals; (ii) provide access to nonpublic information concerning any Company Party to any Entity or enter into Confidentiality Agreements or nondisclosure agreements with any Entity; (iii) maintain or continue discussions or negotiations with respect to Alternative Restructuring Proposals; (iv) otherwise cooperate with, assist, participate in, or facilitate any inquiries, proposals, discussions, or negotiation of Alternative Restructuring Proposals; and (v) enter into or continue discussions or negotiations with holders of Claims against or Interests in a Company Party (including any Consenting Lender), any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other Entity regarding the Restructuring Transactions or Alternative Restructuring Proposals.

- (c) This Backstop Commitment Letter is not assignable by the Company or any other Debtor without the prior written consent of each Backstop Party and is intended to be solely for the benefit of the Parties hereto and does not confer any benefits on, or create any rights in favor of, any Person other than the Parties hereto (other than the Indemnified Persons, who are express third-party beneficiaries hereof). Each Backstop Party may assign all or any portion of its Backstop Commitment to (i) any of its affiliates, (ii) any other Backstop Party, (iii) a Related Fund, or (iv) with the prior written consent of the Company, another financial institution; provided, however, that (A) any such assignee shall deliver to the Company a joinder to (x) this Backstop Commitment Letter and (y) the PSA (each in form and substance reasonably acceptable to the Company) executed by such assignee and (B) notwithstanding any rights or remedies the assignor may have against the assignee in connection with any failure to perform under this Backstop Commitment Letter by the assignee, the assigning Backstop Party remains fully liable for any assignment made hereunder. Any Transfer obligations under this Backstop Commitment Letter made in violation of this Section 15(c) shall be deemed null and void *ab initio* and of no force or effect.
- (d) Each Backstop Party shall have the right to designate by written notice to the Company no later than two (2) Business Days prior to the Restructuring Effective Date (i) that some or all of the New Shares issuable to such Backstop Party (hereunder or under the Plan) be issued in the name of, and delivered to, one or more of its affiliates or Related Funds at the Closing or (ii) one or more of its affiliates, Related Funds or Delegates to join as a lender under the Revolving Credit Facility or the Term Loan Facility with respect to some or all of the amounts to be loaned thereunder in accordance with this Backstop Commitment Letter (which, for the avoidance of doubt, may be in full replacement of the applicable Backstop Party thereunder) as of the Closing, in each case, which notice of designation shall (A) be addressed to the Company and signed by such Backstop Party and each such affiliate, Related Fund or Delegate, as applicable, and (B) specify, as applicable, (1) the number of New Shares allocated to such affiliate, Related Fund or Delegate, as applicable, and (2) the portion of the Revolving Credit Facility or the Term Loan Facility, as applicable, with respect to which such affiliate, Related Fund or Delegate, as applicable. In the event of any such designation to a Delegate, the Backstop Party shall remain obligated with respect to any amounts to be loaned by such Backstop Party under the Revolving Credit Facility and/or Term Loan Facility, as applicable until the Closing.
- (e) This Backstop Commitment Letter may not be amended or waived except in writing signed by the Debtors and the holders of more than 66.67% of the Backstop Commitments, excluding any Defaulting Backstop Party (the "Required Backstop Parties"); provided that any amendment, modification or waiver (i) to a Backstop Party's Backstop Commitment, (ii) that disproportionately, materially and adversely impacts a Backstop Party in its capacity as such (including, without limitation, by (x) modifying the respective allocations set forth herein or on Schedule I with respect to the Backstop Commitment or the Commitment Premium or (y) modifying any benefit set forth herein in a disproportionate, material and adverse manner), or (iii) to a Backstop Party's individual right to terminate its own Backstop Commitment shall, in each case, require the consent of such Backstop Party; provided further that (A) any reduction of the amount of the Commitment Premium, the Equity Commitment Premium, or the BP Participation Equity, (B) any postponement of the Debtors' payment of the Commitment Premium or the issuance of the Equity Commitment Premium or the BP Participation Equity to the Backstop Parties, and (C) any extension of the Outside Date shall require the written consent of each of the Backstop Parties. In connection with the foregoing, an email among counsel for the Company and



the applicable Backstop Parties expressly confirming agreement to amend this Backstop Commitment Letter shall be deemed a writing signed by the Company and Required Backstop Parties. Notwithstanding the foregoing, each Backstop Party reserves the right to employ the services of its affiliates or Related Funds in providing services contemplated by this Backstop Commitment Letter and to allocate, in whole or in part, to its affiliates or Related Funds certain fees payable to such Backstop Party in such manner as it and its affiliates or Related Funds may agree in their sole discretion.

- (f) The Parties acknowledge that all covenants and other agreements made by any Backstop Party that is a separately managed account of an investment manager are being made only with respect to the Credit Agreement Claims managed by such investment manager, and shall not apply to (or be deemed to be made in relation to) any Credit Agreement Claims that may be beneficially owned by such Backstop Party that are not held through accounts managed by such investment manager.
- (g) Nothing herein or in the PSA shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408 and its foreign equivalents, and any other applicable rules of evidence, this Backstop Commitment Letter and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Backstop Commitment Letter.
- (h) The agreements and obligations of the Backstop Parties under this Backstop Commitment Letter are several and not joint in all respects. Any breach of this Backstop Commitment Letter by a Backstop Party shall not result in liability for any other Backstop Party. The Backstop Parties are acting in their individual capacities and not as agent, trustee, or in any other fiduciary capacity with respect to any other Backstop Party or any other party.
- (i) This Backstop Commitment Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of this Backstop Commitment Letter by facsimile or portable document format (PDF) shall be effective as delivery of a manually executed counterpart of this Backstop Commitment Letter. The words “execution,” “signed,” “undersigned,” “signature,” and words of like import in this Backstop Commitment Letter shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar applicable state laws based on the Uniform Electronic Transactions Act.
- (j) Notwithstanding anything that may be expressed or implied in this Backstop Commitment Letter, or any document or instrument delivered in connection herewith, the Debtors, by their acceptance of the benefits of the Backstop Commitment provided herein, agree and acknowledge that no Person other than the Backstop Parties and their respective successors and permitted assigns shall have any obligations hereunder and that, notwithstanding that such Backstop Party or any of its successors or permitted assigns may be a corporation, partnership or limited liability company, no recourse hereunder or under any documents or instruments delivered in connection herewith or in respect of any oral representations or warranties made or alleged to have been made in connection herewith or therewith shall be had against any former, current or future director, officer, employee, representative, direct

or indirect equity holder, controlling person, general or limited partner, manager, member, stockholder, incorporator, affiliate, attorney, agent, successor or assignee of such Backstop Party or any former, current or future director, officer, employee, representative, direct or indirect equity holder, controlling person, general or limited partner, manager, member, stockholder, incorporator, attorney, agent, successor or assignee of any of the foregoing (each, other than such Backstop Party and its successors and assigns, a “Related Party”), whether by or through attempted piercing of the corporate (or limited liability company or limited partnership) veil, by or through a claim by or on behalf of such Backstop Party against any Related Party, by the enforcement of any assessment or by any legal or equitable action, by virtue of any applicable law or otherwise. It is expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any Related Party for any obligations of such Backstop Party or any of its successors or permitted assigns under this Backstop Commitment Letter or any documents or instrument delivered in connection herewith or in respect of any oral representations or warranties made or alleged to have been made in connection herewith or therewith or for any claim (whether at law or equity or in tort, contract or otherwise) based on, in respect of, or by reason of such obligations or their creation.

- (k) The Debtors shall not, without the Required Backstop Parties’ prior written consent (which may be provided through electronic means), disclose to any Person any terms, conditions or other facts with respect to this Backstop Commitment Letter, the New Credit Facilities Term Sheet or the Backstop Commitment (including, without limitation, the existence or status thereof) or the transactions contemplated hereunder and thereunder except (i) to the Debtors’ and their affiliates’ officers, directors, employees, affiliates, members, partners, stockholders, attorneys, accountants, agents and advisors, in each case on a confidential and need-to-know basis, (ii) in any legal, judicial or administrative proceeding or as otherwise required by law, regulation or the requirements of any applicable stock exchange or as requested by a Governmental Authority (in which case the Debtors agree, to the extent permitted by law, to inform us promptly in advance thereof), including disclosure in the context of (and in the preparation and finalizing of filings and documentation for) the Chapter 11 Cases, and (iii) to the extent reasonably necessary in connection with the enforcement of the Debtors’ rights hereunder.
- (l) You acknowledge that we or any of our affiliates’ Related Funds or Delegates (i) may be providing debt financing, equity capital or other services (including financial advisory services) to other companies with which you or your affiliates may have conflicting interests regarding the transactions contemplated by this Backstop Commitment Letter and the Restructuring Documents (the “Transactions”) and otherwise, (ii) may act as we deem appropriate with respect to such other companies, and (iii) have no obligation in connection with the Transactions to use, or to furnish to you or your affiliates or subsidiaries, confidential information obtained from other companies or entities. We shall use confidential information obtained from you, your respective agents or your respective affiliates by virtue of the Transactions or our other relationships with you solely for the purpose contemplated by this Backstop Commitment Letter and shall not furnish any such information to any other companies or entities (other than in connection with a permitted transfer or delegation in accordance with the terms hereof).
- (m) In connection with all aspects of the Transactions, you acknowledge and agree that (i) any related arranging or other services contemplated in this Backstop Commitment Letter are arm’s-length commercial transactions between you and your affiliates, on the one hand, and the Backstop Parties, on the other hand, that do not directly or indirectly give rise to,



nor do you rely on, any fiduciary duty on our part and you are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the Transactions; (ii) in connection with the process leading to the Restructuring Documents, we are and have been acting solely as principal and not as financial advisor, agent or fiduciary for you or any of your affiliates, stockholders, creditors or employees or any other party; (iii) we have not assumed nor will any Backstop Party assume an advisory, agency or fiduciary responsibility in your or your affiliates' favor with respect to any of the Transactions or the process leading thereto (irrespective of whether any Backstop Party has advised or is currently advising you or your affiliates on other matters) and we have no obligation to you or your affiliates with respect to the Transactions except those obligations expressly set forth in this Backstop Commitment Letter and the Restructuring Documents; (iv) we and our affiliates may be engaged in a broad range of transactions that involve interests that differ from yours and your affiliates and we shall have no obligation to disclose any such interests; and (v) we have provided no legal, accounting, regulatory or tax advice with respect to any of the Transactions and you have consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate. You hereby waive and release, to the fullest extent permitted by law, any claims that you may have against us with respect to any breach or alleged breach of agency or fiduciary duty with respect to this Backstop Commitment Letter or any of the Transactions.

- (n) The Backstop Parties hereby notify you that pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "Patriot Act") and 31 C.F.R. § 1010.230 (the "Beneficial Ownership Regulation"), it is required to obtain, verify and record information that identifies you, which information includes your name, address, tax identification numbers and other information that will allow the Backstop Parties to identify you in accordance with the Patriot Act and the Beneficial Ownership Regulation.
- (o) This Backstop Commitment Letter and the PSA constitute the entire understanding among the Parties hereto with respect to the subject matter hereof and replace and supersede all prior agreements and understandings, both written and oral, among the Parties hereto with respect to the subject matter hereof. If the foregoing is in accordance with the Debtors' understanding of our agreement, please sign this Backstop Commitment Letter in the space indicated below and return it to us.
- (p) EACH PARTY HERETO HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY JURISDICTION IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE AMONG THE PARTIES UNDER THIS BACKSTOP COMMITMENT LETTER, WHETHER IN CONTRACT, TORT OR OTHERWISE.
- (q) The Parties agree that irreparable damage would occur if any provision of this Backstop Commitment Letter were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions without the necessity of posting a bond to prevent breaches of this Backstop Commitment Letter or to enforce specifically the performance of the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity. Unless otherwise expressly stated in this Backstop Commitment Letter, no right or remedy described or provided in this Backstop Commitment Letter is intended to be exclusive or to preclude a Party from pursuing other rights and remedies to the extent available under this Backstop Commitment Letter, at law or in equity.

- (r) At all times prior to the Closing or the earlier termination of this Backstop Commitment Letter in accordance with its terms, the Company and the Backstop Parties shall consult with each other prior to issuing any press releases (and provide each other a reasonable opportunity to review and comment upon such release) or otherwise making public announcements with respect to the transactions contemplated by this Backstop Commitment Letter.
- (s) Each Debtor (other than the Company) by its execution of this Backstop Commitment Letter hereby irrevocably authorizes the Company to give all notices and instructions and make any agreement related to this transaction on its behalf without further reference to or consent of such Debtor, and such Debtor shall be bound thereby as though such Debtor had agreed to such change, given such notice or made such agreement.
- (t) Where a written consent, acceptance, approval or signature is required pursuant to or contemplated by this Backstop Commitment Letter, such written consent, acceptance, approval or signature shall be deemed to have occurred with respect to any Party if counsel representing such Party expressly provides such consent or approval on such Party's behalf or if such counsel expressly provides acceptance on such Party's behalf, including, in all instances, by electronic mail.
- (u) The terms of the notice provisions in Section 15.10 of the PSA are incorporated herein by reference, *mutatis mutandis*, and the Parties hereto agree to such terms.

Very truly yours,

*[Signature pages to follow]*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

*[Signature Page of Backstop Commitment Letter]*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

**SEADRILL LIMITED**  
**and each of its direct and indirect subsidiaries**  
**listed on Exhibit A hereto**

By: \_\_\_\_\_

Name: Grant Creed

Title: Chief Financial Officer

**EXHIBIT A**

**Debtors**

Seadrill Limited  
Asia Offshore Drilling Limited  
Asia Offshore Rig 1 Limited  
Asia Offshore Rig 2 Limited  
Asia Offshore Rig 3 Limited  
Eastern Drilling AS  
North Atlantic Alpha Ltd.  
North Atlantic Elara Ltd.  
North Atlantic Epsilon Ltd.  
North Atlantic Linus Charterer Ltd.  
North Atlantic Navigator Ltd.  
North Atlantic Phoenix Ltd.  
North Atlantic Venture Ltd.  
Scorpion Courageous Ltd.  
Scorpion Deepwater B.V.  
Scorpion Deepwater Ltd.  
Scorpion Drilling Ltd.  
Scorpion Freedom Ltd.  
Scorpion International Ltd.  
Scorpion Nederlandse B.V.  
Scorpion Offshore Inc.  
Scorpion Resolute Ltd.  
Scorpion Rigs Ltd.  
Scorpion Servicios Offshore Ltda.  
Scorpion USA Expats, Inc.  
Scorpion Vigilant Ltd.  
SDS Drilling Ltd.  
Sea Dragon De Mexico S De R.L. De CV  
Seadrill Abu Dhabi Operations Limited  
Seadrill Americas, Inc.  
Seadrill Angola LDA  
Seadrill Ariel Ltd.

Sadrill Australia Pte Ltd.  
Sadrill Brunei Ltd.  
Sadrill Callisto Ltd.  
Sadrill Carina Ltd.  
Sadrill Castor Ltd.  
Sadrill Castor Pte Ltd.  
Sadrill Common Holdings Ltd.  
Sadrill Cressida Ltd.  
Sadrill Deepwater Charterer Ltd.  
Sadrill Deepwater Contracting Ltd.  
Sadrill Deepwater Crewing Ltd.  
Sadrill Deepwater Holdings Ltd.  
Sadrill Deepwater Units Pte Ltd.  
Sadrill Dione Ltd.  
Sadrill Eclipse Ltd.  
Sadrill Eminence Ltd.  
Sadrill Equatorial Guinea Ltd.  
Sadrill Europe Management AS  
Sadrill Far East Ltd.  
Sadrill Freedom Ltd.  
Sadrill GCC Operations Ltd.  
Sadrill Gemini Ltd.  
Sadrill Global Services Ltd.  
Sadrill Gulf Operations Neptune LLC  
Sadrill Holdings Singapore Pte Ltd.  
Sadrill Hyperion Ltd.  
Sadrill Indonesia Ltd.  
Sadrill Insurance Ltd.  
Sadrill International Resourcing DMCC  
Sadrill Investment Holding Company Limited  
Sadrill Jack Up Holding Ltd.  
Sadrill Jack Up I BV  
Sadrill Jack Up II BV  
Sadrill Jack-Ups Contracting Ltd.

Seadrill Jupiter Ltd.  
Seadrill Labuan Ltd.  
Seadrill Management (S) Pte Ltd.  
Seadrill Management AME Ltd.  
Seadrill Management Ltd.  
Seadrill Mimas Ltd.  
Seadrill Mira Hungary Kft.  
Seadrill Mira Ltd.  
Seadrill Neptune Hungary Kft.  
Seadrill Newfoundland Operations Ltd.  
Seadrill Nigeria Operations Ltd.  
Seadrill North Atlantic Holdings Limited  
Seadrill North Sea Crewing Ltd.  
Seadrill Norway Crew AS  
Seadrill Norway Operations Ltd.  
Seadrill Offshore AS  
Seadrill Offshore Malaysia Sdn. Bhd.  
Seadrill Offshore Nigeria Ltd.  
Seadrill Operations de Mexico S de RL de CV  
Seadrill Orion Ltd.  
Seadrill Pegasus (S) Pte Ltd.  
Seadrill Prospero Ltd.  
Seadrill Proteus Ltd.  
Seadrill Rhea Ltd.  
Seadrill Rig Holding Company Limited  
Seadrill Saturn Ltd.  
Seadrill Saudi I BV  
Seadrill Saudi II BV  
Seadrill Servicios de Petroleos Ltda.  
Seadrill Sevan Holdings Limited  
Seadrill Telesto Ltd.  
Seadrill Tellus Ltd.  
Seadrill Tethys Ltd.  
Seadrill Titan Ltd.



Seadrill Titania Sarl  
Seadrill Treasury UK Limited  
Seadrill Triton Ltd.  
Seadrill Tucana Ltd.  
Seadrill UK Ltd.  
Seadrill UK Operations Ltd.  
Seadrill UK Support Services Ltd.  
Seadrill Umbriel Ltd.  
Sevan Brasil Ltd.  
Sevan Developer Ltd.  
Sevan Driller Ltd.  
Sevan Drilling Limited  
Sevan Drilling North America LLC  
Sevan Drilling Pte Ltd.  
Sevan Drilling Rig II AS  
Sevan Drilling Rig II Pte Ltd.  
Sevan Drilling Rig IX Pte Ltd.  
Sevan Drilling Rig V Pte Ltd.  
Sevan Louisiana Hungary Kft.  
Sevan Marine Servicos de Perfuracao Ltda

*[Signature pages for the Company and Backstop Parties on file with the Company.]*

**Schedule 1**

Allocation of Backstop Commitment Premiums; Backstop Commitments; and Covered Commitments

*[Removed for purposes of filing]*

**SCHEDULE 6(F)**

Consents

(iv) The Company or Equity Issuer (as the case may be) is required to make a filing under s.13 of the Companies Act of Bermuda 1981 within 30 days of the adoption of the bye-laws of the Company or the Equity Issuer (as the case may be).

(v) The Company or the Equity Issuer (as the case may be) is required to apply for and obtain a special permission from the Bermuda Monetary Authority for the free transferability and issue of its shares on or before the Restructuring Effective Date.

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:	)	
	)	Chapter 11
SEADRILL LIMITED, <i>et al.</i> , <sup>1</sup>	)	Case No. 21-30427 (DRJ)
Debtors.	)	(Jointly Administered)
	)	<b>Re: Docket No. ___</b>

**ORDER (I) AUTHORIZING ENTRY INTO THE BACKSTOP  
COMMITMENT LETTER, (II) APPROVING THE PAYMENT OF FEES  
AND EXPENSES RELATED THERETO, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), (a) authorizing entry into the Backstop Commitment Letter, (b) approving the payment of fees and expenses related thereto, and (c) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors’ estates, their creditors, and other parties in interest; and this Court having found that the Debtors’ notice of the Motion and opportunity for a hearing on the

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<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <http://cases.primeclerk.com/SeadrillLimited>. The location of Debtor Seadrill Americas, Inc.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 11025 Equity Drive, Suite 150, Houston, Texas 77041.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

Motion were appropriate and no other notice need be provided; and this Court having reviewed the Motion; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED:

1. The Motion is granted on a final basis.
2. All objections to the Motion or the relief requested therein, if any, that have not been withdrawn, waived or settled, and all reservations of rights included therein are overruled with prejudice.
3. The terms and conditions of the Backstop Commitment Letter, including the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations, are fair, reasonable, and the best available to the Debtors under the circumstances. Such terms reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duties, are based on good, sufficient, and sound business purposes and justifications, and are supported by reasonably equivalent value and consideration. Such terms were negotiated in good faith and at arm's length among the Debtors, the Backstop Parties, and their respective professional advisors.
4. The Debtors are authorized to enter into the Backstop Commitment Letter, in the form attached to the Motion as Exhibit A, and the Debtors are authorized to execute, deliver, and implement the Backstop Commitment Letter and all exhibits and attachments thereto, and, subject to entry of the Confirmation Order where applicable, to take any and all actions necessary and proper to implement the terms of the Backstop Commitment Letter on the conditions set forth therein.

5. The Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations are hereby approved as reasonable, shall be non-refundable when and if paid or provided, and shall not be subject to any avoidance, reduction, setoff, recoupment, offset, recharacterization, subordination (whether contractual, equitable, or otherwise), counterclaims, cross-claims, defenses, disallowance, impairment, or any other challenges under any applicable law or regulation by any person or entity, except as set forth in the Backstop Commitment Letter.

6. The Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations are actual and necessary costs of preserving the Debtors' estates due to (a) the significant benefit to the Debtors' estates of having definitive and binding commitments to fund the Plan, (b) the substantial time, effort, and costs incurred by the Backstop Parties in negotiating and documenting the Backstop Commitment Letter and the Plan Support Agreement and reserving the funds to make the investments contemplated thereby pending confirmation and effectiveness of the Plan, and (c) the risk to the Backstop Parties that the Debtors' may ultimately enter into an alternative restructuring proposal, and as such shall be treated as allowed administrative expenses of the Debtors pursuant to sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code and are hereby approved as reasonable.

7. The Debtors are authorized to pay and/or reimburse, as applicable, the Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations, each in accordance with its terms and as required by the Backstop Commitment Letter without further application to or order of this Court. Subject to the terms of the Backstop Commitment Letter, the Expense Reimbursement shall not be otherwise subject to further approval of this Court, and no recipient of payments on account of the Expense Reimbursement shall be required to file any interim or final applications with this Court as a condition precedent to the Debtors' obligation to make such



payment. The Debtors shall provide copies of any Expense Reimbursement invoices to the advisors to the CoCom and the Ad Hoc Group within 24 hours of receipt thereof.

8. The Commitment Premium, the Expense Reimbursement, and the Indemnification Obligations shall not be discharged, modified, or otherwise affected by any chapter 11 plan of the Debtors, dismissal of these cases, or conversion of these chapter 11 cases to chapter 7 cases, nor shall any of such amounts be required to be disgorged upon the reversal or modification on appeal of this Order.

9. To the extent the automatic stay provisions of section 362 of the Bankruptcy Code would otherwise apply, such provisions are vacated and modified to effectuate all of the terms and provisions of the Backstop Commitment Letter and this Order, including, without limitation, permitting the Backstop Parties to exercise all rights and remedies under the Backstop Commitment Letter in accordance with its terms, terminate the Backstop Commitment Letter in accordance with its terms, and deliver any notice contemplated thereunder, in each case, without further order of this Court.

10. The Backstop Commitment Letter and the provisions of this Order, including all findings herein, shall be effective and binding upon all parties in interest in these chapter 11 cases, including, without limitation, all creditors of any of the Debtors, or any creditors' committee or any other committee appointed in these chapter 11 cases, and the Debtors, and their respective successors and assigns (including any chapter 7 or chapter 11 trustee hereafter appointed or elected for any of the Debtors, any examiner appointed pursuant to section 1104 of the Bankruptcy Code, a responsible person, officer, or any other party appointed as a legal representative or designee of any of the Debtors or with respect to the property of the estate of any of the Debtors) whether in these chapter 11 cases, in any successor chapter 11 or chapter 7 cases (the "Successor Cases"), or

upon any dismissal of any of these chapter 11 cases or any Successor Cases, and shall inure to the benefit of the Backstop Parties and the Debtors and their respective permitted successors and assigns. For the avoidance of doubt and subject to the terms specified in the Backstop Commitment Letter, the fees, premium, and expenses provided for or permitted by the Backstop Commitment Letter (to the extent paid or due and owing under the Backstop Commitment Letter) shall survive the termination of the Backstop Commitment Letter and constitute valid, binding, and enforceable obligations of the Debtors and their estates, and shall not be discharged, modified, or otherwise affected by any chapter 11 plan of the Debtors, dismissal of these cases, or conversion of these chapter 11 cases to chapter 7 cases, nor shall any of such amounts be required to be disgorged upon the reversal or modification on appeal of this Order.

11. The Debtors are authorized, but not directed, to enter into amendments to the Backstop Commitment Letter from time to time as may be necessary, subject to the terms and conditions set forth in the Backstop Commitment Letter, and without further order of the Court.

12. The failure of any Backstop Party to seek relief or otherwise exercise its rights and remedies under this Order, the Backstop Commitment Letter, or applicable law, as the case may be, shall not constitute a waiver of any of the rights hereunder, thereunder, or otherwise of any of the Backstop Parties.

13. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

14. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

15. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

16. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Houston, Texas

Dated: \_\_\_\_\_, 2021

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DAVID R. JONES  
UNITED STATES BANKRUPTCY JUDGE