

**COMPLETED MERGER BETWEEN TRANSOCEAN INC. AND
GLOBALSANTAFE CORPORATION**

**UNDERTAKINGS GIVEN BY EACH OF TRANSOCEAN INC., GLOBALSANTAFE
OVERSEAS LIMITED, GLOBALSANTAFE INTERNATIONAL DRILLING INC.,
GLOBALSANTAFE NORTH SEA LIMITED AND GLOBALSANTAFE DRILLING U.K.
LIMITED TO THE OFFICE OF FAIR TRADING
PURSUANT TO SECTION 73 OF THE ENTERPRISE ACT 2002**

WHEREAS:

- (a) Transocean Inc. ("Transocean") has merged with GlobalSantaFe Corporation ("GSF") through a share exchange which completed on 27 November 2007 (the "Merger");
- (b) The OFT believes that as a consequence of the Merger a relevant merger situation has been created in the UK;
- (c) The OFT has a duty to refer a completed merger to the CC for further investigation where it believes that it is or may be the case that the relevant merger situation in question has resulted, or may be expected to result, in a substantial lessening of competition within any market or markets in the UK for goods or services;
- (d) Under section 73 of the Act the OFT may, instead of making such a reference and for the purpose of remedying, mitigating or preventing the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it, or may be expected to result from it, accept undertakings to take such action as it considers appropriate, from such of the parties concerned as it considers appropriate, in particular having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
- (e) The OFT considers that, in the absence of appropriate undertakings, it would be under a duty to refer the Merger to the CC;
- (f) The OFT further considers that the undertakings given below by each of Transocean, GlobalSantaFe Overseas Limited, GlobalSantaFe International Drilling Inc., GlobalSantaFe North Sea Limited and GlobalSantaFe Drilling U.K. Limited (the "Parties") are appropriate to remedy, mitigate or prevent the substantial lessening of competition, or any adverse effect which has or may have resulted from it, or may be expected to result from it, as identified in the OFT's decision dated 26 November 2007 (the "Decision");

NOW THEREFORE each of the Parties hereby gives to the OFT the following undertakings for the purpose of remedying, mitigating or preventing the substantial lessening of competition, or any adverse effect which has or may have resulted from it or may be expected to result from it.

Effective date of the undertakings

1. These undertakings shall take effect from the date that, having been signed by each of the Parties, they are accepted by the OFT.

Divestment of the Divestment Enterprises

- 2.1 Each of the Parties shall, using its best endeavours and acting in good faith, as soon as reasonably practicable, effect to the satisfaction of the OFT the divestment of each of the Divestment Enterprises as a going concern by the end of the Divestment Period to a purchaser approved by the OFT in accordance with the provisions of these undertakings.
- 2.2 Without prejudice to the generality of paragraph 2.1 above, each of the Parties shall use all reasonable endeavours to ensure the transfer of all Key Staff with the divestment of the Divestment Enterprises if desired by the purchaser of the Divestment Enterprises.
- 2.3 The Parties shall be deemed to have complied with the obligations at paragraphs 2.1 and 2.2 if, as soon as reasonably practicable and in any event by the end of the Divestment Period, they have entered into a legally binding agreement with a purchaser or purchasers approved in advance by the OFT in writing pursuant to these undertakings (which will permit, amongst other things, the purchaser or purchasers to market the Divestment Enterprises freely in relation to the period from the completion of the divestment), provided that the completion of the divestment of each of the Divestment Enterprises contemplated by such agreement, if later than the end of the Divestment Period, takes place
 - (a) within a period not exceeding three months after the approval of the relevant purchaser or purchasers by the OFT; or
 - (b) in relation to the GSF Arctic II, within a period of 10 Working Days from completion or termination of the Agreed Projects,whichever is later.
- 2.4 Without prejudice to the generality of paragraph 2.1 above, the Parties shall take the following measures to the extent they may be necessary in the opinion of the OFT, to effect the sale of the Divestment Enterprises in accordance with the provisions of these undertakings:
 - (a) the transfer or vesting of property, assets, rights, personnel, liabilities or obligations (including without prejudice any contracts, licences, authorisations, permits or consents);
 - (b) the adjustment of contracts, whether by discharge or reduction or assignment of any liability or obligation or otherwise;
 - (c) the creation, allotment, transfer, surrender or cancellation of any shares, stock or securities; and/or

- (d) the formation or winding up of a company.
- 2.5 In the event that the Parties fail to divest one or more of the Divestment Enterprises in accordance with paragraphs 2.1, 2.2 and 2.3 above, the OFT may, whether or not initiating the Trustee Functions set out below, require the Parties to divest each and any of those Divestment Enterprises as a going concern at no minimum price to a purchaser approved by the OFT.
- 2.6 The Parties shall notify the OFT in writing of the identity of each proposed purchaser that makes an offer for any of the Divestment Enterprises together with the value and terms of such offers as soon as reasonably practicable following the receipt of such offers and in any event within 10 Working Days of receipt of such offers.

Purchaser Approval

- 3.1 For the purposes of the OFT approving a proposed purchaser for any of the Divestment Enterprises in accordance with these undertakings, the Parties and/or any proposed purchaser shall, save as required or permitted by the OFT, satisfy the OFT that:
- (a) the acquisition by the proposed purchaser of any of the Divestment Enterprises remedies, mitigates or prevents the substantial lessening of competition concerned or any adverse effect which has or may have resulted from it, or may be expected to result from it, in particular, having regard to the need to achieve as comprehensive a solution as is reasonable and practicable to the substantial lessening of competition and any adverse effects resulting from it;
 - (b) the proposed purchaser is independent of and unconnected to each of the Parties and the Group of Interconnected Bodies Corporate to which each of the Parties belong and any Associated Person or Affiliate of the Parties or such Group of Interconnected Bodies Corporate;
 - (c) the proposed purchaser has the financial resources, expertise (including the managerial, operational and technical capability) and incentive to maintain and operate each of the Divestment Enterprises it is proposing to purchase as a viable and active enterprise in competition with Transocean and other competitors in the provision of offshore contract drilling services in the UK continental shelf;
 - (d) the proposed purchaser is reasonably to be expected to obtain all necessary approvals, licences and consents from any regulatory or other authority plus all necessary consents to enable the transfer of any hire or other relevant contracts, including from customers of the Divestment Enterprise in question;

- (e) the acquisition by the proposed purchaser of either of the Divestment Enterprises is not expected to result in a substantial lessening of competition within any market or markets in the UK; and
 - (f) the proposed purchaser has assured the OFT that it has the firm intention of operating the Divestment Enterprise in question in the UK continental shelf for at least three years from the date of completion of the divestment in accordance with paragraphs 2.1, 2.2 and 2.3 above.
- 3.2 The OFT may require the Parties and/or a proposed purchaser to provide it with such information and documentation as it may reasonably require to satisfy the OFT that any proposed purchaser will fulfil the requirements in paragraph 3.1 above.

Appointment of a Trustee

- 4.1 The provisions of paragraphs 4.2 to 4.7 below shall apply only as long as the Parties have not satisfied, or where the OFT has reasonable grounds for believing that the Parties will not satisfy, all or any part of the obligation to divest each of the Divestment Enterprises in accordance with paragraphs 2.1, 2.2 and 2.3 above.
- 4.2 Within 15 Working Days of the OFT notifying the Parties in writing that it must do so, the Parties shall propose to the OFT for approval:
- (a) the names of at least two individuals to exercise the Trustee Functions; and
 - (b) the full terms of a mandate in accordance with which the Trustee shall carry out the Trustee Functions.
- 4.3 The Parties and/or any individuals nominated pursuant to paragraph 4.2 shall satisfy the OFT that:
- (a) such nominated individuals are each EU and/or EEA nationals with the necessary qualifications to carry out their mandates, and employees or partners of an investment bank, bank, building society or law firm or accountancy firm with an established reputation either nationwide or in a substantial part of the UK or in another EU member state;
 - (b) such nominated individuals are each independent of the Parties and of the Group of Interconnected Bodies Corporate to which any of the Parties belong and of any Associated Person or Affiliate of the Parties or of such Group of Interconnected Bodies Corporate and of any proposed purchasers of the Divestment Enterprises to be sold pursuant to these undertakings, and, in the reasonable opinion of the Parties, are appropriate to be appointed as Trustee; and

(c) such nominated individuals neither are nor shall become exposed, either directly or indirectly, to a conflict of interest that impairs or may be likely to impair their objectivity or independence in discharging the Trustee Functions.

4.4 Within 20 Working Days of the OFT approving, at its discretion, one or more of the persons nominated by the Parties and their proposed mandates pursuant to paragraph 4.2 above, and subject to any modifications the OFT deems necessary for the Trustee to carry out the Trustee Functions, the Parties shall use its best endeavours to appoint from the persons so approved one person to carry out the Trustee Functions in accordance with the mandate approved by the OFT pursuant to paragraph 4.2.

4.5 In the event that:

(a) the Parties fail to propose any person or persons in accordance with paragraph 4.2 above; or

(b) none of the persons proposed by the Parties pursuant to paragraph 4.2 is approved by the OFT; or

(c) the Parties are unable for any reason to appoint within the time limit stipulated in paragraph 4.4 any such person following approval by the OFT;

the Parties shall use their best endeavours to appoint from persons nominated by the OFT one person to carry out the Trustee Functions on the terms of a mandate approved by the OFT. The Parties shall use their best endeavours to make such appointment within seven Working Days of receiving the nominations from the OFT.

4.6 The appointment of the Trustee pursuant to paragraph 4.4 or 4.5 shall be irrevocable unless (a) a conflict of interest that impairs or may be likely to impair the objectivity or independence of the Trustee in discharging the Trustee Functions arises; (b) the Trustee ceases to perform its functions; or (c) the OFT is otherwise satisfied that there is good cause for the appointment to be terminated in advance of the satisfactory fulfilment of the Trustee Functions.

4.7 In the event that the appointment of the Trustee is terminated in accordance with paragraph 4.6 above, the Parties shall, if requested to do so in writing by the OFT, use its best endeavours to appoint from persons nominated by the OFT one person to carry out the Trustee Functions in accordance with such mandate as is approved by the OFT. The Parties shall use their best endeavours to make such appointment within seven Working Days of receiving the nominations from the OFT. Where required by the OFT, the outgoing Trustee shall continue as Trustee until a new Trustee is in place and a full handover of all relevant information has taken place.

The Mandate

5. The terms of the mandate proposed by the Parties pursuant to paragraph 4.2 above shall, as a minimum, contain all provisions necessary to enable the Trustee to carry out the Trustee Functions including, without limitation to the generality of this paragraph:
 - (a) an exclusive, irrevocable mandate to sell any of the Divestment Enterprises as required by paragraph 6.1 below to a purchaser or purchasers as directed or approved in writing in advance by the OFT at no minimum price and on such reasonable terms and conditions as the Trustee considers appropriate to effect an expedient sale;
 - (b) a mandate to take any other steps necessary for, or incidental to, the Trustee's mandate under sub-paragraph (a) above;
 - (c) a comprehensive power of attorney to the Trustee (including the authority to grant sub-powers of attorney to the Trustee's officers, employees and agents) to enable it to take all steps necessary or appropriate to effect the sale of such Divestment Enterprises;
 - (d) a mandate to comply with any orders and/or directions given by the OFT; and
 - (e) a mandate to appoint at the Parties' expense such advisers as the OFT and/or the Trustee reasonably considers necessary or appropriate in connection with the performance of the Trustee Functions.

Functions of Trustee

- 6.1 The Trustee shall seek to procure, within such period as may be specified in writing by the OFT, the completion of the sale of the Divestment Enterprises at no minimum price, to a purchaser or purchasers as directed or approved by the OFT in accordance with paragraph 6.3 below.
- 6.2 Without prejudice to the generality of paragraph 6.1, the Trustee shall take any of the measures set out in paragraph 2.4 above in relation to the Divestment Enterprises to the extent to which such measures may be necessary to effect the divestment of the Divestment Enterprises in accordance with that provision.
- 6.3 The Trustee shall not sell or permit the divestment of any of the Divestment Enterprises to a proposed purchaser unless it has been directed to do so by the OFT or obtained the OFT's prior written approval in respect of the identity of that proposed purchaser. The Trustee shall notify the OFT of the identity of a proposed purchaser as soon as reasonably practicable prior to the signing of a legally enforceable agreement and in any event at least 20 Working Days in advance of the proposed completion of the proposed sale and purchase agreement in question.

- 6.4 Pending the divestment of the Divestment Enterprises pursuant to paragraph 6.1 above, the Trustee shall monitor the Parties' compliance with their obligations under paragraphs 7.1 and 7.2 of these undertakings and shall take such measures as it considers necessary to ensure such compliance.
- 6.5 The Trustee may give written directions to the Parties to take such steps as may be specified or described in the directions for the purpose of securing the Parties' compliance with their obligations under these undertakings or enabling the Trustee to carry out the Trustee Functions. The Trustee may not require the Parties to:
- (a) offer any reverse premium or similar inducement to a purchaser; or
 - (b) accept any actual or contingent liability towards a purchaser or otherwise in connection with the divestment of the Divestment Enterprises which would be unusual in scope, duration or financially having regard to the price and usual market practice in relation to similar disposals.
- 6.6 The Trustee shall, as soon as reasonably practicable, comply at all times with any reasonable instructions or directions made by the OFT for the purposes of carrying out or securing compliance with the undertakings (or any matter incidental thereto) and shall provide to the OFT such information and reports in relation to the carrying out of the Trustee Functions as the OFT may require. The Trustee shall promptly report in writing to the OFT if the Trustee concludes on reasonable grounds that the Parties are failing to comply with any of their obligations under these undertakings.
- 6.7 For the purpose of fulfilling the Trustee Functions, the Trustee shall not be bound by instructions of the Parties nor shall the Trustee Functions be extended or varied in any way by the Parties save with the prior express written consent of the OFT.

Obligations of the Parties following appointment of Trustee

- 7.1 The Parties shall not give any instruction or request to the Trustee which conflicts with the Trustee Functions.
- 7.2 The Parties shall take all such steps as are reasonably necessary to enable the Trustee to carry out the Trustee Functions, including but not limited to (a) complying with such written directions as the Trustee may from time to time give pursuant to paragraph 6.5 above, and (b) providing the Trustee with all such assistance and information as it may reasonably require in carrying out the Trustee Functions.

Remuneration of Trustee

8. The Parties shall pay the Trustee a reasonable remuneration for the services it provides in carrying out the Trustee Functions, and shall pay

the Trustee in a way that does not impede the independent and effective fulfilment of the Trustee Functions, which shall be set out in the Trustee's mandate referred to in paragraph 5 above.

Interim Action

9. Pending the divestment of each of the Divestment Enterprises to the satisfaction of the OFT in accordance with the provisions of these undertakings, save as otherwise agreed in advance in writing by the OFT, the Parties shall ensure that:
- (a) without accepting any duty to make any substantial capital investment additional to investment arrangements in place at the time of the Merger, each of the Divestment Enterprises is maintained as a going concern and sufficient resources are made available for the development of each of the Divestment Enterprises on the basis of its pre-merger plans;
 - (b) except in the ordinary course of business, no substantive changes are made to the organisational structure of the Divestment Enterprises or the management responsibilities within the Divestment Enterprises;
 - (c) the Divestment Enterprises are maintained and preserved, including their reputation and goodwill;
 - (d) the nature, description, range and standard of services currently offered in respect of the Divestment Enterprises are maintained and preserved;
 - (e) the separate rig and/or registered name relating to each of the Specified Assets is maintained;
 - (f) except in accordance with paragraph 2.1, paragraph 2.2 or paragraph 6.1 above, save in the ordinary course of business, no assets of or related to the Divestment Enterprises are disposed of, and no Interest in such assets is created or disposed of;
 - (g) the software and hardware platforms of the Divestment Enterprises shall remain essentially unchanged, except for routine changes and maintenance;
 - (h) all reasonable steps are taken to encourage all Key Staff to remain with the Divestment Enterprises;
 - (i) in the event that (subject to the prior agreement of the OFT) either of the Divestment Enterprises are moved outwith the UK continental shelf, they are either returned to the UK continental

shelf prior to divestment or, if later, arrangements are put in place by the Parties for their return at their sole cost, provided that any such period outwith the UK continental shelf should be kept to a minimum; and

- (j) upon divestment of the respective Divestment Enterprise, any records or copies (electronic or otherwise) of any Confidential Information held by the Parties in relation to that Divestment Enterprise (or vice versa) shall be returned to the relevant business and any copies destroyed, save to the extent that the Party in question is required by any applicable law or regulatory requirement to retain such records or copies.

Continued Separation

10. Except with the prior written consent of the OFT, following the divestment of each of the Divestment Enterprises pursuant to paragraph 2.1, paragraph 2.2, paragraph 2.3, paragraph 2.5 or paragraph 6.1, the Parties or any member of the Group of Interconnected Bodies Corporate to which any of the Parties belong:

- (a) shall not, directly or indirectly, hold, acquire, re-acquire or use:
 - (i) any Interest in that Divestment Enterprise;
 - (ii) any Interest in any company carrying on or having Control of that Divestment Enterprise (other than any investments made in the ordinary course of the operation of any of the employee benefit and pension schemes of the Parties or of any members of the Group of Interconnected Bodies Corporate to which any of the Parties belong of not more than three per cent in aggregate of the issued equity share capital in any such company, whose shares are listed or dealt with on any recognised investment exchange, which carries no more than three per cent of the voting rights exercisable at meetings of such company); or
 - (iii) other than in the ordinary course of business, any of the assets of that Divestment Enterprise;
- (b) shall procure that no employee or director of the Parties or of any members of the Group of Interconnected Bodies Corporate to which any of the Parties belong holds or is nominated to any directorship or managerial position in that Divestment Enterprise or any directorship or managerial position in any company or other undertaking carrying on or having Control of that Divestment Enterprise without the OFT's prior written consent;
- (c) shall not participate in the formulation of, or (other than in the ordinary course of business) influence or attempt to influence, the

policy of that Divestment Enterprise or of any company or other undertaking carrying on or having Control of that Divestment Enterprise; and

- (d) shall not enter into or carry out any agreement or arrangement with any person, if the carrying out of the agreement or arrangement is intended to result or will result in any Associated Person or Affiliate of the Parties or of any member of the Group of Interconnected Bodies Corporate to which any of the Parties belong directly or indirectly acquiring that Divestment Enterprise or doing any of the things listed in sub-paragraphs (a), (b) and (c) above.

Compliance

11.1 Each of the Parties shall comply promptly with such written directions as the OFT may from time to time give:

- (a) to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings; or
- (b) to do or refrain from doing anything so specified or described which the Parties might be required by these undertakings to do or to refrain from doing.

11.2 The Parties shall each procure that any member of the same Group of Interconnected Bodies Corporate to which the Parties belong, complies with these undertakings as if such member had given them and actions and omissions of the members of the same Group of Interconnected Bodies Corporate to which the Parties belong shall be attributed to the Parties for the purposes of these undertakings.

11.3 Where any Affiliate of the Parties is not a member of the same Group of Interconnected Bodies Corporate as any of the Parties, the Parties shall use their best endeavours to procure that any such Affiliate shall comply with these undertakings as if it had given them.

Provision of Information

12. The Parties shall furnish promptly to the OFT such information as the OFT considers necessary in relation to or in connection with the (i) implementation of, (ii) enforcement of, and/or (iii) compliance with these undertakings, including for the avoidance of doubt, any confidential information.

Extension of time limits

13. The OFT may, where appropriate, in response to a written request from the Parties showing good cause, or otherwise at its own discretion, grant an extension to any time period referred to in these undertakings.

Interpretation

- 14.1 The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.
- 14.2 References in these undertakings to any English law term for any legal status, interest, concept or thing shall in respect of any jurisdiction other than England and Wales be deemed to include what most nearly approximates in that jurisdiction to the English law term.
- 14.3 In these undertakings the word “including” shall mean including without limitation or prejudice to the generality of any description, definition, term or phrase preceding that word and the word “include” and its derivatives shall be construed accordingly.
- 14.4 For the purposes of these undertakings:

“Act” means the Enterprise Act 2002;

“Affiliate” of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

“Agreed Projects” means those projects (a) which have been notified to the OFT in writing prior to the entering into force of these undertakings and (b) in respect of which the GSF Arctic II has been contractually committed to a customer (or committed in principle) prior to the entering into force of these undertakings, provided that any such projects are not extended or varied;

“Associated Person” means a person or persons associated with the Parties within the meaning of section 127(4) of the Act and includes any Subsidiary of such a person or persons;

“business” has the meaning given by section 129(1) and (3) of the Act;

“CC” means the Competition Commission;

“Confidential Information” means any business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature;

“Control” shall be construed in accordance with section 26 of the Act, and in the case of a body corporate, a person shall be deemed to Control it if he holds, or has an interest in, shares of that body corporate amounting to 10 per cent or more of its issued share capital or carrying an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

“Decision” means the OFT’s decision on reference under section 33 of the Act given on 26 November 2007;

“Divestment Enterprise” means each of the Specified Assets together with, in respect of each such Specified Asset, the whole or substantially the whole of the rights, assets, interests and obligations of or associated with the operation of that asset as a floating offshore drilling rig, as operated immediately prior to the date of the Merger, including without prejudice to the foregoing, save as required or permitted by the OFT:

- (a) where capable of being transferred, all or substantially all tangible and intangible assets which contribute to the current operation or are necessary to ensure the viability or competitiveness of the operation of the Specified Assets as floating offshore drilling rigs, including those spare parts that are specific to the Specified Assets, and their associated inventory;
- (b) where capable of being transferred, all or substantially all licences, permits, consents and authorisations issued by any governmental organisation for the benefit of the operation of the Specified Assets as floating offshore drilling rigs;
- (c) where capable of being transferred, all or substantially all contracts, leases, commitments and customer orders related to or associated with the Specified Assets and/or their operation as floating offshore drilling rigs;
- (d) where capable of being transferred, all trading, rig and/or registered names related to or associated with the Specified Assets and/or their operations as floating offshore drilling rigs; and
- (e) all customer, credit and other records relating to or associated with the Specified Assets and/or their operations as floating offshore drilling rigs together with any additional rights, assets and/or obligations that the Parties may wish to sell together with the above, subject to the OFT’s prior approval in writing;

“Divestment Period” means the period of time determined by the OFT and notified in writing to the Parties by the OFT;

“GSF” means GlobalSantaFe Corporation;

“GSF Arctic II” means the floating offshore drilling rig, formerly owned by GSF and known as “GSF Arctic II” IMO number: 8752350;

“GSF Arctic IV” means the floating offshore drilling rig, formerly owned by GSF and known as “GSF Arctic IV” IMO number: 8105480;

“Group of Interconnected Bodies Corporate” has the meaning given in section 129(2) of the Act; references to a Group of Interconnected

Bodies Corporate shall be to the Group of Interconnected Bodies Corporate as constituted from time to time;

"Interest" includes shares, an interest in shares and any other interest carrying an entitlement to vote at shareholders' meetings; and for this purpose "an interest in shares" includes an entitlement by a person other than the registered holder, to exercise any right conferred by the holding of these shares or an entitlement to Control the exercise of such right;

"Key Staff" means staff whose performance may materially affect the viability of any Divestment Enterprise, including all the existing crew for each of the Specified Assets as at the date that these undertakings shall take effect pursuant to paragraph 1 above;

"OFT" means the Office of Fair Trading;

"Specified Assets" means GSF Arctic II and GSF Arctic IV;

"Subsidiary" shall be construed in accordance with section 736 of the Companies Act 1985 (as amended), unless otherwise stated;

"Transocean" means Transocean Inc.;

"Trustee" means the person appointed pursuant to paragraph 4.4, 4.5 or 4.7 to carry out the Trustee Functions;

"Trustee Functions" means the functions set out in paragraph 6;

"UK" means the United Kingdom of Great Britain and Northern Ireland;

"Working Days" mean any days of the week other than a Saturday, Sunday or any other day that is a public holiday in England; and

unless the context requires otherwise, the singular shall include the plural and vice versa.