

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

In re:	)	
	)	Chapter 11
VALARIS PLC, <i>et al.</i> , <sup>1</sup>	)	Case No. 20-34114 (MI)
	)	
Debtors.	)	(Jointly Administered)
	)	

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**NOTICE OF ADDITIONAL SUPPLEMENTAL AGREEMENT**

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**PLEASE TAKE NOTICE** that on August 19, 2020, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code, 11 U.S.C. §§ 101-1532.

**PLEASE TAKE FURTHER NOTICE** that on September 15, 2020, the Debtors filed the *Debtors’ Application for Entry of an Order Authorizing the Retention and Employment of Ernst & Young LLP to Provide Tax Services Effective as of the Petition Date* [Docket No. 209] (the “Application”).

**PLEASE TAKE FURTHER NOTICE** that, on October 9, 2020, the United States Bankruptcy Court for the Southern District of Texas (the “Court”) entered an *Order Authorizing the Retention and Employment of Ernst & Young LLP to Provide Tax Services Effective as of the Petition Date* [Docket No. 330] (the “EY Order”), pursuant to which the Court authorized the Debtors to retain and employ Ernst & Young LLP (“EY”) as a tax services provider on the terms and conditions set forth in the Application<sup>2</sup> and the EY Order.

**PLEASE TAKE FURTHER NOTICE** that EY and the Debtors desire to enter into three additional statements of work (“SOWs”) for the engagement of EY to provide the following services to the Debtors: (i) valuation and accounting services, the terms and conditions of which are set forth in the SOW between EY and Valaris plc, dated January 5, 2021, (the “Valuation/Accounting SOW”), attached hereto as **Exhibit 1**; (ii) tax accounting services, the terms and conditions of which are set forth in the SOW between EY and Valaris plc, dated November 23, 2020, (the “Tax Accounting SOW”), attached hereto as **Exhibit 2**; and (iii) tax compliance services, the terms and conditions of which are set forth in the SOW between EY and Valaris plc, dated December 3, 2020, (the “Singapore Tax Compliance SOW” and together with

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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.stretto.com/Valaris>. The location of Debtor EnSCO Incorporated’s principal place of business and the Debtors’ service address in these chapter 11 cases is 5847 San Felipe Street, Suite 3300, Houston, Texas 77057.

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

the Valuation/Accounting SOW and the Tax Accounting SOW collectively, the “Additional SOWs”), attached hereto as **Exhibit 3**. The *Second Supplemental Declaration of D. Brock Griffiths on Behalf of Ernst & Young LLP as Tax Service Provider to the Debtors* (the “Griffiths Second Supplemental Declaration”) is attached hereto as **Exhibit A**.

**PLEASE TAKE FURTHER NOTICE** that, based upon discussions and the representations of the Debtors’ management, EY estimates that its fees and services to perform the the services under the Additional SOWs will be as follows:

Valuation/Accounting SOW and Tax Accounting SOW

- Valuation: \$350k to \$450k
- Accounting: \$250k to \$300k
- Tax Accounting: \$15k to \$125k

Singapore Tax Compliance SOW

As set forth in the Singapore Tax Compliance SOW, the Debtors will pay a fee of SGD 34,980, plus any value-added taxes (VAT), as applicable, with respect to the filing of Singapore tax returns.

**PLEASE TAKE FURTHER NOTICE** that EY will be paid by the Debtors at the agreed hourly billing rates set forth below:

Valuation/Accounting SOW and Tax Accounting SOW

<b>Title</b>	<b>Hourly Rate (USD)</b>
National Partner	\$775
Partner/Principal	\$685
Managing Director	\$625
Senior Manager	\$540
Manager	\$470
Senior	\$350
Staff	\$200

**PLEASE TAKE FURTHER NOTICE** that pursuant to the EY Order, the Debtors must file the Additional SOWs with the Court and serve the Additional SOWs upon the applicable notice parties (collectively, the “Notice Parties”) before such engagement letter becomes effective.

**PLEASE TAKE FURTHER NOTICE** that pursuant to the EY Order, any of the Notice Parties may object to the proposed Additional SOWs and file an objection with the Court within fourteen (14) days of service of this notice. To the extent any party timely files an objection, the Debtors will promptly request that the Court set a hearing on the matter.

**PLEASE TAKE FURTHER NOTICE** that pursuant to the EY Order and the Application, absent an objection within fourteen (14) days of the filing and service of the

Additional SOWs, EY's employment shall continue as authorized pursuant to the EY Order and EY shall be authorized to provide such additional services as set forth therein.

**PLEASE TAKE FURTHER NOTICE** that that the Debtors provided the names of additional parties in interest to EY on or about November 6, 2020. A list of the names of the additional parties in interest that EY LLP caused to run through its conflicts check and that identifies whether any of the additional parties in interest is currently engaging or has engaged during the last three years EY LLP or any other EYGL member firm is attached hereto as **Exhibit 4**.

Houston, Texas  
January 28, 2021

*/s/ Matthew D. Cavanaugh*

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

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

**Certificate of Service**

I certify that on January 28, 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**

**Griffiths Second Supplemental Declaration**

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

<p>In re:</p> <p>VALARIS PLC, <i>et al.</i>,<sup>1</sup></p> <p style="text-align: right;">Debtors.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Chapter 11</p> <p>Case No. 20-34114 (MI)</p> <p>(Jointly Administered)</p>
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**SECOND SUPPLEMENTAL DECLARATION  
OF D. BROCK GRIFFITHS ON BEHALF OF  
ERNST & YOUNG LLP AS TAX SERVICES PROVIDER TO THE DEBTORS**

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I, D. Brock Griffiths, hereby declare pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) as follows:

1. I am a partner of Ernst & Young LLP (“EY LLP”). I provide this second supplemental declaration (this “Second Supplemental Declaration”) on behalf of EY LLP in connection with EY LLP’s continued provision of tax services to the above-captioned debtors (the “Debtors”), as set forth in the Debtors’ Application to retain EY LLP that was filed with this Court on September 15, 2020 [Docket No. 209] (the “Application”).<sup>2</sup>

2. This Second Supplemental Declaration supplements my initial declaration that was filed with this Court on September 15, 2020 [Docket No. 209-1] (the “Griffiths Declaration”) and my supplemental declaration that was filed with this Court on October 6, 2020 [Docket No. 314] (the “Supplemental Declaration”).

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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.stretto.com/Valaris>. The location of Debtor EnSCO Incorporated’s principal place of business and the Debtors’ service address in these chapter 11 cases is 5847 San Felipe Street, Suite 3300, Houston, Texas 77057.

<sup>2</sup> Capitalized terms used but otherwise undefined herein shall have the meanings ascribed to such terms in the Application or EY Order.

3. The facts set forth in this Second Supplemental Declaration are based upon my personal knowledge, upon information and belief, and upon client matter records kept in the ordinary course of business that were reviewed by me or other employees of EY LLP or employees of other member firms of EYGL (as defined in Paragraph 23 of the Griffiths Declaration) under my supervision and direction.

4. On October 9, 2020, the Court entered an Order Authorizing the Retention and Employment of EY LLP to Provide Tax Services Effective as of the Petition Date [Docket No. 330] (the “EY Order”).

5. As required by the EY Order, to the extent the Debtors and EY LLP enter into any additional agreements for the provision of additional services by EY LLP, the Debtors shall file appropriate notices of such additional agreements with the Court and serve them on the applicable notice parties.

6. The Debtors have entered into the following additional engagement letters with EY LLP:

- As set forth in the valuation and accounting statement of work (“Valuation/Accounting SOW”), attached hereto as **Exhibit 1**, the Debtors have engaged EY LLP to provide valuation and accounting services.
- As set forth in the tax statement of work (“Tax Accounting SOW”), attached hereto as **Exhibit 2**, the Debtors have engaged EY LLP to provide income tax accounting assistance.
- As set forth in the Singapore tax compliance statement of work (“Singapore Tax Compliance SOW”), attached hereto as **Exhibit 3**, the Debtors have engaged EY LLP to provide assistance with preparing and filing Singapore tax returns.

7. EY LLP will be paid by the Debtors for these additional services as follows:

Valuation/Accounting SOW and Tax Accounting SOW

As set forth in the Valuation/Accounting SOW and Tax Accounting SOW, the Debtors will pay the following fees, which are based on the hourly rate card below:

<u>Title</u>	<u>Hourly Rate (USD)</u>
National Partner	\$775
Partner/Principal	\$685
Managing Director	\$625
Senior Manager	\$540
Manager	\$470
Senior	\$350
Staff	\$200

The fee estimates for the Valuation/Accounting SOW and Tax Accounting SOW are listed below:

- Valuation: \$350k to \$450k
- Accounting: \$250k to \$300k
- Tax Accounting: \$15k to \$125k

Singapore Tax Compliance SOW

As set forth in the Singapore Tax Compliance SOW, the Debtors will pay a fee of SGD 34,980, plus any value-added taxes (VAT), as applicable, with respect to the filing of Singapore tax returns.

8. EY LLP may subcontract with an EYGL member firm in Singapore to provide services under the Singapore Tax Compliance SOW (“EY Singapore Subcontracting Firm”). As with the Subcontracting EYGL Member Firms, as defined in paragraph 36 of the Griffiths Declaration, the fees and expenses of the EY Singapore Subcontracting Firm relating to work performed for the Debtors will be included in EY LLP’s fee applications in these chapter 11 cases. With respect to any work performed by the EY Singapore Subcontracting Firm, EY LLP will seek

reimbursement only for the actual costs that EY LLP will be paying the EY Singapore Subcontracting Firm.

9. The Database against which the names of the Parties in Interest were run for EY LLP's connections check contains client engagement information for all EYGL member firms. Because the connections check search was run for all client-facing EYGL member firms, including the EY Singapore Subcontracting Firm, the EY Singapore Subcontracting Firm will not run its own separate connections checks or file a declaration under Bankruptcy Rule 2014 in these chapter 11 cases.

10. After the EY Order was entered, additional Parties in Interest have been identified and a supplemental list was provided by Debtors' counsel on or about November 6, 2020 (the "Additional PII"). EY LLP caused the names of these Additional PII to be searched through the Database to identify whether any of the Additional PII is currently engaging or has engaged during the last three years EY LLP or any other EYGL member firm. That connections check search was run for all client-facing EYGL member firms, including all client-facing EYGL member firms that will be assisting EY LLP in providing services to the Debtors, the Subcontracting EYGL Member Firms and the EY Singapore Subcontracting Firm. A list of the names of the Additional PII that EY LLP caused to run through the Database and that identifies whether any of the Additional PII is currently engaging or has engaged during the last three years EY LLP or any other EYGL member firm is attached hereto as **Exhibit 4**.

11. To the best of my knowledge, information and belief at this time, formed after reasonable inquiry, and except as otherwise stated herein, none of the services rendered by EY LLP or any other EYGL member firm to the Additional PII listed in the attached **Exhibit 4** have been in connection with the Debtors or these chapter 11 cases.

12. EY LLP also conducted a search to determine whether EY LLP (but not any other member firm of EYGL) has paid any person or entity among the Additional PII that was specified as being a professional service provider that has been retained by a Party in Interest to provide professional services to EY LLP during the last three years. Based on its search of that database, EY LLP has determined that it has paid FTI Consulting during the last three years for professional services rendered to EY LLP.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: January 28, 2021

*/s/ D. Brock Griffiths*

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D. Brock Griffiths  
Ernst & Young LLP

**Exhibit 1**

**Valuation/Accounting SOW**

## Statement of Work

This Statement of Work, dated January 5, 2021 (this “SOW”), is made by Ernst & Young LLP (“we” or “EY”) and Valaris plc (“Valaris”, “you”, the “Company”, or “Client”), pursuant to the Agreement, dated August 19, 2020 (the “Agreement”), between EY and Valaris, which was executed in connection with Valaris filing a petition under Chapter 11 of the United States Bankruptcy Code (“Chapter 11”) on August 19, 2020 with the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”), and describes certain services as subsequently described that EY will perform for Valaris during Valaris’ Chapter 11 proceedings.

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. In the event of any conflict between the SOW and this Agreement, the Agreement shall control and govern in all circumstances. The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other Statement of Work pursuant to the Agreement. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings in the Agreement, and references in the Agreement to “you” or “Client” shall be deemed references to you.

### Objective and Purpose

The objective of our engagement is to assist Valaris with certain services related to valuation services (the “Valuation Services”) and accounting services (the “Accounting Services”) as described further below (collectively referred to herein as the “Services”) related to Valaris’ filing of a petition under Chapter 11 for the Bankruptcy Court and accounting and financial reporting considerations.

### Standard, Premise and Definition of Value

According to Accounting Standards Codification Topic 852 “*Reorganizations*” (“ASC 852”), fresh start accounting for post-emergence opening balance sheet follows Accounting Standards Codification Topic 805 “*Business Combinations*” (“ASC 805”). Per ASC 805, the standard of value to be used is fair value, which is defined in Accounting Standards Codification Topic 820 “*Fair Value Measurement*” (“ASC 820”), as:

*“Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”*

We will also utilize the definition of fair value from ASC 820 as the standard of value consistent with the testing pursuant to Accounting Standards Codification Topic 360 “*Property, Plant and Equipment*” (“ASC 360”), Step 3.

### Scope of Services

EY will provide the Services (as described herein) to Valaris in accordance with the terms and conditions that are set forth in the Agreement (inclusive of this SOW). The Services may be modified by our mutual written agreement, and while in bankruptcy, with approval of the Bankruptcy Court.

We will perform the Services under this SOW in accordance with applicable standards established by the American Institute of Certified Public Accountants (“AICPA”). The Valuation Services under this SOW may also be subject to the requirements of the Principles of Appraisal Practice and Code of Ethics

and the Business Valuation Standards of the American Society of Appraisers; the Code of Professional Ethics of the Appraisal Institute; the Code of Ethics and Standards of Professional Conduct of the CFA Institute; and the Uniform Standards of Professional Appraisal Practice (“USPAP”) as set forth by the Appraisal Standards Board of the Appraisal Foundation, with which we will comply as applicable.

EY will use reasonable efforts to provide the Services on-site at Valaris’ offices, provided that, in light of a pandemic the parties agree to cooperate to allow for remote working and/or an extended timeframe to the extent (i) any government or similar entity implements restrictions that may interfere with provision of onsite Services; (ii) either party implements voluntary limitations on travel or meetings that could interfere with provision of onsite Services, or (iii) an EY resource determines that he or she is unable or unwilling to travel in light of a pandemic-related risk.

### **Valuation Services**

Valaris’ management (“Management”) has requested that we provide recommendations of fair value for certain tangible (i.e. drilling rigs, spare parts inventory, etc.) and intangible assets (i.e. drilling contracts, intellectual property, etc.) (collectively, the “Assets”) as of the future date of Valaris’ emergence (the “Emergence”) from Chapter 11 (the “Valuation Date”) for financial reporting purposes.

We understand that the results of our analysis will be used by Valaris in its financial reporting of the Emergence under ASC 852 and ASC 820, as of the Valuation Date.

The scope of the Valuation Services related to the Emergence will be delivered in two phases. Phase 1 will include Services prior to the confirmation of the Company’s ownership structure at the Valuation Date. Phase 2 will include potential Services after confirmation of the Company’s ownership structure and related independence restrictions at the Valuation Date.

#### **Phase 1 Valuation Services**

- Discuss with Management the nature of the Company’s Assets and operations, as applicable;
- Collect and review Company information, such as historical financial information, Company financial projections, lease data, fixed asset listings, etc.;
- Analyze the historical financial performance of Valaris; and
- Perform research to identify relevant transactions and other market information that will be utilized in the valuation of the Company’s tangible and intangible assets and liabilities; and
- Preparation of a summary of publicly available market data (the “Phase 1 Schedules”).

#### **Phase 2 Valuation Services**

- Interviews with Management to understand:
  - the nature of the Company’s Assets and operations;
  - any existing business plans, forecasts, performance estimates or budgets for the Assets; and
  - the assumptions underlying the business plan, estimates or budgets, as well as the risk factors that could affect planned performance

- Consideration of applicable economic, industry and competitive environments, including relevant historical and future estimated trends for the Assets;
- Analysis of the performance and market position(s) of the Assets relative to industry competitors;
- Application of the Income, Market and/or Cost Approaches to develop our fair value recommendations using, where appropriate, financial data that is based on a market participant perspective, including:
  - Analysis of the Company’s weighted average cost of capital (“WACC”) for assisting Management with the selection of a single point estimate of the Company’s reorganization enterprise value<sup>1</sup> and/or shareholders’ equity value from the Plan of Reorganization (i.e., upon Emergence from Chapter 11 procedures).

*Real Property – Owned, as Applicable*

- Collect and analyze data necessary to value the owned real property including, but not limited to, location, size, and current use as determined by Management.
- Application of one or more of the three generally accepted valuation methodologies – the Cost Approach, the Sales Comparison Approach and the Income Approach – to value the fee simple interest in the real property.
- The analyses for the owned real property may potentially include sample site visits in conjunction with our personal property team.

*Real Property – Leased, as Applicable*

- We will assist Management in its determination of which leases may be material and would be included in our favorable/unfavorable leasehold interest valuation analysis. We recommend excluding leases that meet one or more of the following criteria:
  - Leases that commence or expire within 12 months of the Valuation Date;
  - Leases on month-to-month structures; and
  - Leases with insignificant remaining obligations (materiality threshold TBD). We can assist Management in establishing materiality by performing a sensitivity analysis that will calculate possible leasehold interest ranges.
- For leases in scope, we will utilize the discounted cash flow method of the Income Approach to calculate the favorability of the leasehold interests. This method includes comparing the remaining contract rent cash flows to estimated market rent cash flows and applying a real estate driven discount rate to estimate the present value.
- Perform a valuation for the acquired real property leasehold interests determined to be in scope. Specifically, we will calculate the right-of-use (“ROU”) asset and lease liability pursuant to Accounting Standards Codification Topic 842 “Leases” (“ASC 842”), using an Income Approach that captures the value of the market rent and contract rent over the remaining lease terms, including relevant options.

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<sup>1</sup> As provided by Management.  
EY Statement of Work  
Valaris plc  
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- For properties considered out of scope, we will perform the valuation to estimate the lease liability and will assume the ROU asset to be equal to the liability.
- We assume the lease terms will be abstracted for each lease in a summary format.

#### *Property and Equipment- Drilling Rigs*

- Estimating the fair value of drilling rigs, relying on fixed asset information utilizing the Cost Approach (i.e., direct method), Market Approach and the Income Approach (i.e., discounted cash flow method). Our efforts will include:
  - Collecting and analyzing data necessary to value the rigs, including, but not limited to, specifications, drawings, capacities, operating forecasts, etc.;
  - Interviewing engineering and operations personnel regarding rig functionality, configurations, history, modifications, and related information necessary to develop replacement cost new estimates (at the rig level);
  - Interviewing management, financial and operations personal related to forecasts and expectations related to each rig to understand how forecasts were developed, risks considered, marketable remaining economical life, forecasted utilization, and forecasted day rates;
  - Considering and adjusting for all applicable forms of physical deterioration and functional and economic obsolescence;
  - Considering economic, industry, and competitive environments, including relevant historical and future estimated trends for the rigs;
  - Collecting and analyzing data on recent rig transactions (for continued use and for scrap) to develop floor values;
  - Estimating the appropriate discount rate for each rig class, considering risk, embedded deal returns, the overall weighted average cost of capital (“WACC”) of the business as well as other contemporaries operating within the subject industry and region, as applicable; and
  - Reconcile the results of all three valuation approaches (i.e., Cost Approach, Market Approach, and Income Approach).

#### *Other Property and Equipment, Owned*

- Data collection procedures to fully identify personal property, which we currently understand to include: leasehold improvements, furniture & fixtures, vehicles & trucks, machinery & equipment, and office & computer equipment, construction in process, in addition to equipment capital spares, and inventory.
- Perform the indirect method of the Cost Approach, on a desktop basis for a significant amount of assets. We will rely on the detailed fixed asset records, assuming that the records are accurate, contain original historical cost information (i.e., original cost to original owner) and materially reflect the personal property assets.

- Estimating the fair value of the capital spares relying primarily on asset listings, and utilizing the Cost Approach (i.e., direct method). We will also consider historical and forecasted utilization rates for the rigs and historical and forecasted turn-over rates of capital spares/inventory. Our efforts will include:
  - Collecting and analyzing data necessary to value the capital spares/inventory including but not limited to, serial numbers, makes, models, age, condition, asset descriptions, specifications, and capacities;
  - Interviewing engineering and operations personnel regarding historical turnover rates, estimated time to use, obsolete inventory, age, policies regarding capitalization, and normal procedures associated with capital spares/inventory; and
  - Considering and applying all applicable forms of physical deterioration and functional and economic obsolescence.
- Estimating the fair value of the personal property assets relying primarily on appropriate fixed asset information and utilizing the Cost Approach (i.e., indirect method). Our efforts will include:
  - Collecting and analyzing data necessary to value the personal property assets including but not limited to, fixed asset listings, budgets, equipment specifications and drawings, authorization for expenditures (“AFE”) and invoices;
  - Considering and applying all applicable forms of physical deterioration and functional and economic obsolescence; and
  - Where appropriate, utilizing the Market Approach where a ready and transparent secondary market exists.

#### *Other Property and Equipment, Leased*

- We will assist Management in its determination of which personal property leases may be material (individually and in aggregate by asset class) through consideration of the outstanding obligations, remaining lease terms and equipment types.
- We will follow Management’s accounting policy for including / excluding leases with remaining lease terms of 12 months or less in our analysis.
- Regarding capital leases:
  - We will estimate a recommendation of value for the underlying assets in line with the methodology outlined above for owned personal property.
  - We will estimate the value attributed to the capital lease liabilities utilizing the Income Approach which discounts the remaining lease obligations over the remaining lease terms at Management’s incremental borrowing rate (“IBR”).

#### *Intangible Assets*

- Assist management with the identification of intangible assets, and estimate the fair value of those intangible assets, which may include, but are not limited to, the following:
  - Favorable / unfavorable drilling contracts

- Bareboat charters
- Drilling rig construction contracts
- Trademark/trade name
- Guarantees
- Intellectual property (example: Dual Derrick)
- Application of the Income, Market and/or Cost Approaches to value using, where appropriate, financial data that is based on a market participant perspective. Specific consideration will be given to the following methods:
  - Income Approach, including discounted cash flow, multi-period excess earnings, and relief-from-royalty
  - Market Approach, including guideline company and similar transactions
  - Cost Approach, including replacement cost

*Other*

- Estimating the fair value of Valaris' equity investment and shareholder note receivable, if applicable, for any relevant joint ventures
- Estimating the fair value of liabilities that need to be recognized
- Prepare an Income Approach for the Company's real and personal property to test for economic obsolescence.
- Leverage relevant work-findings and insights of the Company's advisors (EY and others).
- Perform corroborative procedures, such as estimating the consolidated internal rate of return ("IRR") implied from the overall enterprise value confirmed by the Bankruptcy Court, and prepare a weighted average return on assets ("WARA") calculation to facilitate analyses that are internally and externally consistent and reasonable.
- Scoping procedures to determine if any debt or equity instruments need to be valued and related valuation procedures to calculate the value of concluded "in-scope" debt or equity instruments.
- Discuss the assignment of the Assets and resulting fair value recommendations with Management.
- Discuss with Management and its auditors the valuation approaches and methodologies used in our analysis.
- Prepare a narrative report for financial reporting purposes (the "Report") summarizing the methodologies employed in our analyses, the assumptions on which our analyses were based, and our recommendations of fair value.

Please note that our ability to perform services with respect to future / subsequent valuation dates set forth in this SOW may depend, among other things, on our mutual agreement that our performance of such services will not impair our independence, if required, related to you or any affiliated entities.

We will perform the Valuation Services based on methods and techniques that we consider appropriate under the circumstances. We will deliver to you a PDF copy of our written narrative valuation Reports

with supporting exhibits. In the event that you require a full recommendation or opinion, and accompanying narrative report prior to emergence we will issue an addendum to this SOW.

Our Report is not a fairness opinion or investment advice. You will not rely on any of them as such, nor will you use them, or permit them to be used, as the basis to set a transaction price. EY assumes no responsibility to any buyer or seller to negotiate a purchase or sale at the value set forth in the Report.

The Report is subject to our Statement of Limiting Conditions (“SLC”), a draft of which is attached hereto as **Appendix 1**. If we determine that modifications or additions to the SLC will be required, we will notify you.

We will provide you with periodic progress updates and, at your written request, meet with you periodically to review our results.

### **Accounting Services**

Our scope of services will primarily focus on assisting you with general and technical accounting matters (including tax accounting matters) around your financial reporting and documentation of various accounting matters and policies in connection with your preparation of your quarterly and annual financial statements. We will also provide assistance with the assessment of the accounting impact of emergence from bankruptcy, including income tax accounting, to allow you to apply fresh start accounting in accordance with ASC 852. The Accounting Services related to the Emergence will be delivered in two phases, further described below.

At your direction, we will perform the following services:

#### Phase 1 – Fresh Start Assistance

The following Phase 1 will include services related to fresh start accounting and the accounting impact of emergence from bankruptcy prior to the confirmation of the Company’s ownership structure at emergence.

Services related to accounting and reporting aspects of debtor-in-possession (“DIP”) financial statements:

- Advise and provide insights, observations and training on the general aspects of financial accounting and reporting while in bankruptcy, including, Generally Accepted Accounting Principles (“US GAAP”) and United States Securities and Exchange Commission (“SEC”) reporting matters, and tax accounting matters.
- Advise and provide insights on accounting and reporting issues related to the bankruptcy filing by summarizing the applicable guidance and providing a high-level interpretation to an illustrative fact pattern.
- Advise on technical whitepapers drafted by management addressing client’s selection of bankruptcy accounting treatment in compliance with ASC 852.
- Assist you with your preparation of technical accounting whitepapers addressing client’s selection of bankruptcy accounting treatment in compliance with ASC 852, related to the bankruptcy filing and DIP financial statements, including disclosures. Examples of issues include: classification of liabilities subject to compromise and expenses to be included in reorganization expense.

- Assist you with your preparation of DIP financial statements including presentation and disclosures.
- Assist you with your preparation of DIP financial information included in the draft and final Plan of Reorganization. Such information may include historical financial information and summary analysis of the impact of the plan of reorganization (e.g., payment of liabilities subject to compromise and related gain)

Services related to preliminary analysis of fresh start reporting:

- Participate in discussions to help management understand the accounting and reporting implications while in bankruptcy and considerations upon emergence, including US GAAP and SEC reporting matters, and tax accounting matters.
- Advise and provide insights on accounting and reporting issues related to the fresh start reporting by summarizing the applicable guidance and providing a high-level interpretation to an illustrative fact pattern.
- Advise and provide insights and observations regarding the preparation of the fresh start accounting required work steps and provide comments on management's overall project timeline. Provide generic templates of project charters, status reports and issue logs for company's own customization.
- Advise and provide insights, as necessary, on complex accounting matters relevant to the preparation of the pro forma financial statements and other disclosures in company filings.
- Advise and provide insights on the technical fresh start accounting and reporting requirements, including advising on the identification of accounts (including income tax accounts) typically impacted by fresh start accounting and the fresh start reporting date. This may include providing examples of fresh start accounting disclosures, publications or examples of the application of fresh start accounting, or other information that may assist management with the application of fresh start accounting.
- Advise and provide comments on technical whitepapers drafted by management related to the analysis of fresh start criteria and disclosures based upon preliminary Plan of Reorganization discussions.
- Provide management with generic examples of the application of accounting standards, financial statement presentations or disclosure practices in public filings or other public materials.

#### Phase 2 – Fresh Start Assistance

The following Phase 2 scope will include potential Services after confirmation of the Company's ownership structure and related independence restrictions at emergence. The Accounting Services will include the following:

- Hold discussions with management and help management understand the accounting and reporting implications and considerations upon emergence, including, US GAAP and SEC reporting matters, tax accounting matters and considerations regarding fresh start reporting.

- Assist you with your fresh start accounting and reporting issues by summarizing the applicable guidance and providing a high-level interpretation to your specific fact pattern.
- Assist you with technical fresh start accounting and reporting requirements, including considering the applicability of fresh start accounting, the identification of accounts (including income tax accounts) impacted by fresh start accounting and the fresh start accounting reporting date. This may include providing examples of fresh start accounting disclosures, publications or examples of the application of fresh start accounting, or other information that may assist management with the application of fresh start accounting.
- Based on the valuation studies and appraisals, assist you with your preparation of the fresh start accounting adjustments, including the identification of system requirements and your recording of entries to the ledgers and sub-ledgers.
- Assist you with your determination of the income tax accounting impacts, including deferred taxes, stemming from fresh start accounting and effects of the Plan of Reorganization.
- Assist you with your process to record the subsequent accounting for the fresh start accounting adjustments.
- Draft technical whitepapers based on your selection of accounting treatment for topics including but not limited to, consideration of the new debt instruments and stock compensation agreements upon emergence and related disclosures.
- Provide observations and feedback to you on your preliminary transaction documents, including but not limited to applicable settlement agreements and opening balance sheet process documentation.
- With active participation by your personnel, develop and draft a plan and related procedures for preparing the opening balance sheet.
- Discuss results with your external auditor and seek its feedback, provided that, during substantive discussions management is present and leads the discussion.
- Identify and provide a general interpretation of accounting standards, including general provisions and high-level application to an illustrative fact pattern.
- Assist you with the preparation of your documentation to record Day 2 adjustments including your assessment of the impact of tax accounts due to emergence from bankruptcy.
- Assist you with developing your methodology to calculate the Day 2 impact of the fair value adjustments.
- Assist you in the overall architecture of the accounting policy manual, benchmark accounting policies and financial statement disclosures associated with fresh start accounting and emergence from bankruptcy and assist you in drafting for your review and approval specific chapters of the accounting policy manual using your existing documentation and accounting policies that you have selected.
- Assist you in drafting required financial statements and disclosures related to emergence.

- Assist with the project management office (“PMO”) the preparation of the fresh start accounting required work steps, project setup, training needs, communication protocols and status update and project activity reporting
- Obtain and examine policies, process narratives, flowcharts and other business process documentation (to the extent available) related to current management reporting process
- Assist in identifying stakeholders/process owners to understand defined roles and responsibilities
- Assist in conducting workshops to confirm understanding of:
  - current management reporting processes and activities
  - technology used in execution of management reporting processes
- Assist in documentation of current state process where relevant to future state design
- Assist in conducting requirements gathering workshops to understand management's desired future state management reporting process and requirements
- With active participation by your personnel, develop and draft a preliminary requirements definitions document to detail functional requirements for the future state reporting needs including people, process, and technology requirements
- With active participation by your personnel, perform fit-gap between current and future state requirements and prepare solution opportunity roadmap

The Accounting Services will include additional terms and conditions related to use of the Fresh Start Accounting Tool (“FAST”), a draft of which is attached hereto as **Appendix 3**.

In connection with the Accounting Services, we may engage in discussions with your personnel, including officers and employees, and outside consultants, as determined by you. We may also read documentation, including contracts and memoranda, as specified by you. Further, we may identify factors or considerations that are relevant to your analysis of identified accounting and financial reporting matters.

As part of the Accounting Services, we may assist you in interpreting the relevant accounting and reporting literature based on your general circumstances, and provide our views on those factors (including your characteristics and structure) which may influence the choice of your accounting policy. We will not conclude on the appropriate accounting treatment based on specific facts or recommend which accounting policy/treatment you should select/adopt. Any observations we provide are intended to assist you as you reach, document and implement your own conclusions and will not constitute our concurrence with, or support of, your proposed accounting or reporting.

As part of the Accounting Services, we may provide certain observations as to our understanding of the views of your independent auditor or the staffs of the SEC, the Financial Accounting Standards Board (“FASB”) or the International Accounting Standards Board (“IASB”). We may provide such observations without having any prior discussion with your independent auditor or the staffs of the SEC, FASB or IASB and accordingly, their actual views on a particular topic or issue may differ.

We may also provide your personnel, at your request, with general training sessions on certain accounting and financial reporting topics, including periodic updates on financial reporting developments.

At your request, we will provide you with the following written Reports<sup>2</sup> in connection with the Accounting Services, subject to the other conditions herein:

- Draft accounting analysis and journal entries related to proposed transactions, divestitures, investments, impairments or other topics identified by you
- Draft disclosures and management discussion and analysis as requested by you
- Draft technical memoranda which outline relevant accounting or reporting standards, including general provisions and application to illustrative fact patterns, and the accounting policies you selected.
- Our feedback and observations on accounting memoranda on other complex technical accounting and financial reporting matters
- Excerpts of relevant technical accounting publications
- Draft list of accounts impacted by fresh start accounting
- Draft workbooks that support your fresh start accounting disclosures and journal entries
- Draft deferred tax calculations resulting from the fresh start accounting adjustments
- Drafts of PMO documentation, including: (i) drafting project management documentation, (ii) documentation of the minutes or notes of meetings for use by the PMO or management, (iii) coordinating or tracking project activities and performing internal reporting (e.g. status, issues, progress), (iv) coordinating or tracking resources (people, budget, etc.), including tracking overall project or client hours
- Draft reports from FAST and the Strategic Transaction Accounting Tool (“STAT”), collectively the “Fresh Start Solution Tools”) related to accounting and reporting considerations of the Emergence
- Training materials regarding developments on certain accounting and financial reporting topics
- Examples of the application of accounting standards, financial statement presentations or disclosure practices in public filings or other materials
- Draft sections of your accounting policy manual, based on your decisions, to document the policies and accounting practices you selected
- Draft current state management reporting process (as applicable)
- Draft preliminary functional requirements document for future state management reporting
- Draft results of fit-gap analysis and solution opportunity roadmap

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<sup>2</sup> “Reports” is defined in the General Terms and Conditions as including all information, advice, recommendations or other content of any reports, presentations or other communications we provide to you.

We may, upon your written request, assist you in documenting the conclusions you have reached or positions you have taken on accounting and reporting matters related to the purchase price allocation, including the accounting policies you select.

You will be responsible for implementing and further customizing these Reports, and for your use thereof and their effectiveness. We will have no obligation with respect thereto.

We will provide you with periodic progress updates and, at your request, meet with you at the end of each phase of the project to review our results.

### **Out-of-Scope Services**

Any activities not described as Services, as indicated above under Scope of Services, are not covered by the fees stated herein. These services will be considered outside the scope of this SOW and are the responsibility of Valaris to perform on a timely basis unless otherwise agreed by the parties in writing (in a separate SOW or an amendment to this SOW). Any additional services to be performed by EY outside the scope of the Services set forth above or any change in the scope of the Services will be mutually agreed between the parties in writing.

### **Limitations on Scope**

We will not identify, address or correct any errors or defects in your computer systems, other devices or components thereof ("Systems"), whether or not due to imprecise or ambiguous entry, storage, interpretation or processing or reporting of data. We will not be responsible for any defect or problem arising out of or related to data processing in any Systems.

The Valuation Services do not include the valuation of any assets, liabilities or interests not listed in the Scope section. If we discover significant amounts of such property, you will either (1) engage us to perform a separate valuation of these items (subject to our agreement as to scope and fees) or (2) represent to us the value of those items, on which we would rely without further investigation for our use in performing the Valuation Services.

The Valuation Services do not include any property appraisal in accordance with the Uniform Standards of Professional Appraisal Practice.

EY will not conduct any architectural, engineering, soil or subsoil study, property survey, or environmental investigation, and will not assume any liability in connection with such matters.

The Accounting Services will not include any review of your tax situation or the tax principles you apply in connection with your Emergence or otherwise.

The specific nature of the Services will depend both on the amount of detail you provide to us and the timeframe within which you require our assistance.

We will not, in connection with the performance of the Services or otherwise, (i) act as a broker for the sale of any securities, (ii) solicit any potential buyer or seller (including you) to engage in any transaction, or (iii) act as a negotiator of a transaction.

We may use certain Data Analytics (as defined later in this paragraph) techniques and tools in the performance of our work, including, potentially, for the purposes of making on-screen presentations to you. Data Analytics refers to the use of data and advanced quantitative analysis (including visualization of data) to assist with fact-based decision-making and analysis.

Where we make use of Data Analytics tools for the purposes of making on-screen presentations to you, such on-screen presentations, and any comments made thereon in discussions with you, are intended only to assist your understanding of the work we have performed. They are not intended to be a substitute for a proper reading of our Report and are not intended to say anything that is not set out in our Report. Analysis demonstrated to you, and comments made by us, in the course of such presentations which we consider to be of significance in the context of the matters required to be dealt with in our Report, or which you request, will be included in our final Report. We assume no responsibility or liability whatsoever to you (or anyone else) in respect of any analysis or comments which are not reflected in our final Report.

Where we make use of Data Analytics tools, it is understood that the tools were used to compile visualizations that help you better understand one or multiple datasets and potentially the relationships between them. Furthermore, while we may have performed certain procedures on the raw dataset(s) in order to enable them to function appropriately with the Data Analytics Tools as well as analyze the dataset(s), we have not created the underlying datasets provided by you or on your behalf and we do not, unless expressly agreed to otherwise, have the responsibility to evaluate or verify them.

EY is not responsible in the event that non-EY proprietary tools fail to perform as intended or as EY reasonably expects they will perform.

### **Your Specific Obligations**

You alone are responsible for the scope and sufficiency of the Services. We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the Agreement, as well as your management responsibilities under paragraph 6, your obligations under paragraphs 11 and 12, and your representation, as of the date hereof, under paragraph 26 thereof.

You alone are responsible for any decisions to implement actions identified in the Accounting Services, including implementing all aspects of the fresh start accounting.

You alone are responsible for any decisions to implement actions identified in the Services, including as necessary to apply US GAAP appropriately and for compliance with applicable regulatory requirements, including the determination of your accounting policies. You are solely responsible for the preparation of your financial statements, including making all of the judgments inherent in preparing them.

You are responsible for notifying your independent auditor of the performance of the Accounting Services and consulting with them on the application of accounting principles and your related accounting policies. You agree that we may make inquiries of your independent auditor in connection with the performance of the Accounting Services, provided that, representatives from Client are present during the discussion. You will arrange for periodic status meetings (including consultation, as needed) that include representatives from Client, EY, and your independent auditor.

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which United States or state securities laws (“Securities Laws”) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this Agreement.

Where our written consent under the Agreement is required for you to disclose to a third party any of our Reports (other than Tax Advice), we will also require that third party to execute a letter substantially

in the form of **Appendix 4** to this SOW. Notwithstanding the requirements of the Agreement, you may disclose the Reports and refer to us in connection with the Services under this SOW to (1) your external independent auditor to be used in conjunction with the intended use of the Reports outlined in our SOW, subject to its agreement that (a) none of the Reports or any portion thereof shall be further disclosed to any other person or entity except as required by law or professional obligation, and (b) it shall not make any claims against EY arising out of, or in connection with the Reports or our discussions. In addition, you may disclose the Reports to your Board of Directors and Audit Committee thereof and any similar internal governing bodies of Valaris in accordance with the provisions set forth in the Agreement (and for the sake of clarity shall not require our consent).

Client is permitted to use information in our Reports that are not issued on EY letterhead and do not bear any EY branding or otherwise refer to EY ('Whitepaper Reports'), or excerpts from such Reports, in communication with third parties without the restrictions of Paragraph 12 of the General Terms and Conditions of the Agreement, as long as (i) there is no reference to, or communication of, EY's or any of EY Firm's involvement in the development of such Report, and (ii) you assume sole responsibility for the contents of the Report.

EY does not assume any responsibility for, nor shall EY provide any assurance to Client's independent auditors that, the tax provision, related balance sheet accounts and footnote disclosures are prepared in accordance with US GAAP or otherwise. Furthermore, the services described in this letter are not to be considered "accounting advice" to which AU Section 625 would apply, as the services rendered constitute tax technical services, tax calculations, compilation of tax data, and information related to tax matters at the direction of Client with no judgment relating to accounting matters including liabilities for tax exposure items or valuation allowances. Thus, the required auditor communications pursuant to AU Section 625 are not considered applicable.

Client shall have full responsibility for all decisions on all tax accounting matters, tax accounting procedures, internal controls and the calculation of its tax provision and the effective tax rate, as well as decisions with respect to the appropriate application of US and foreign GAAP, as to which Client's independent auditors should concur. Client will, as reasonably requested by EY, direct its independent auditors to meet with EY to discuss the tax provision and any accounting issues that EY may identify.

### **Responsibilities Related to Fresh Start Solution Tools**

In providing the Accounting Services, we will utilize the Fresh Start Solution Tools ("FAST"), which we have developed to aggregate information involved in the analysis of fresh-start accounting in accordance with ASC 852 and to assist with the implementation of decisions relating thereto. FAST is confidential and proprietary to EY. FAST will be reasonably customized for you (subject to reasonable fees charged by EY as applicable) and populated with the data you provide and approve. FAST will be utilized to run reports based on the underlying data you provide that will assist Client with accounting and recording journal entries related to the Emergence for financial reporting purposes, on both a consolidated and entity level, as determined appropriate by management. FAST will be hosted by EY on Microsoft Azure platform and accessible to EY; certain features will be available to your designated personnel.

We will be responsible for the following in relation to customizing Fresh Start Solution Tools, to be provided by us during the period we are engaged to assist you with the Emergence:

- Estimating the time-scale and EY resources required to customize Fresh Start Solution Tools, based upon the specific requirements determined by you;
- Suggesting alternative approaches for your approval, when we cannot customize Fresh Start Solution Tools in accordance with your instructions, for technical or practical reasons;
- Implementing any mutually agreeable, reasonable security measures (within our customary capabilities) in respect of confidential information that you may propose (such as password protection of data files);
- Alerting you on a timely basis when we anticipate significant delays in customization;
- Hosting Fresh Start Solution Tools

You will be responsible for the following in relation to the inputs and outputs of Fresh Start Solution Tools:

- Providing all estimates and assumptions for input including, but not limited to the following items: chart of accounts, legal entities, exchange rates, historical account balances, fair values, tax rates, etc. that are relevant for the calculations and outputs from Fresh Start Solution Tools
- Reviewing input and assumptions into Fresh Start Solution Tools and providing comments arising on a timely basis; and
- Reviewing Fresh Start Solution Tools input and output reports to assess the appropriateness, accuracy and completeness of the assumptions and calculations on which it is based.

We will charge you for agreed upon customizations to Fresh Start Solution Tools based on actual time spent on the work using the hourly rates for services indicated in this SOW.

Your use of FAST is limited to use for the limited purpose of fresh start accounting for the Emergence during the term of this SOW.

FRESH START SOLUTION TOOLS ARE UTILIZED “AS IS” AND NEITHER EY NOR ANY OTHER PARTY INVOLVED IN THE CREATION, CUSTOMIZATION, DELIVERY OR HOSTING OF FAST MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO FAST, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE, TITLE, OR THAT THE OPERATION OF SUCH TOOL WILL BE UNINTERRUPTED, ERROR FREE OR THAT IT WILL BE COMPATIBLE WITH ANY OF YOUR HARDWARE OR SOFTWARE. EY WILL NOT SUPPORT, MAINTAIN OR UPGRADE FAST, EXCEPT AS EXPRESSLY PROVIDED ABOVE DURING THE PERIOD FOR WHICH EY IS ENGAGED HEREUNDER. YOU ASSUME SOLE RESPONSIBILITY FOR THE USE OF FAST AND THE RESULTS THEREOF.

Additional terms and conditions related to Fresh Start Solution Tools are set forth in **Appendix 3** of this SOW.

### **Specific Additional Terms and Conditions**

EY will not render an assurance report or assurance opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation, as those terms are identified by the AICPA or by the Public Company Accounting Oversight Board. Accordingly, we will not express any form of assurance on accounting matters, financial statements, any financial or other information

or internal controls as part of the Services. None of the Services or any Reports will constitute any legal opinion or legal advice. We will not conduct a review to detect fraud or illegal acts.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Our Reports may contain advice or communications that may be privileged under Internal Revenue Code Section 7525. If such information is provided to persons other than your management, directors, or your legal counsel involved in its preparation or responsible for determining whether to implement it, you may waive such privilege.

Notwithstanding anything to the contrary in the Agreement or this SOW, you may provide the Reports to your external auditor without the necessity of written acknowledgement from such party, provided that you inform such party in writing that it does not acquire any rights against EY and EY does not assume any duties or obligations, to such party as a result of such access

If we receive a request from a third party for any information relating to our Tax Advice, we will notify you and will not release any such information unless you have executed an appropriate written consent authorizing such disclosure and the third party has executed a non-reliance and release letter acceptable to us in form and substance.

The Reports will be based on facts of which EY is aware, estimates, assumptions and other information derived from its research, knowledge of the industry and meetings with you or your advisors. We will state our information sources and the basis of our estimates and assumptions in the Valuation. All such estimates and assumptions are inherently subject to uncertainty and variation depending upon future events, which cannot be accurately foreseen. Our estimates will in any event be based on general economic conditions as they exist on the date of the analysis and will not contemplate the potential for any sudden or sharp rise or decline in those conditions. We make no representation, and give no assurance, that any estimates or results can or will be achieved. Actual results may vary materially from the estimates presented.

Any financial analyses contained in the Report are not forecasts or projections as defined by the AICPA. Rather, they are used as contemplated by the USPAP. Accordingly, terms such as “project,” “projections,” or “forecast” in the Reports relate to broad and generally perceived expectations of future events or market conditions.

The Valuation Report may be subject to review by the Appraisal Institute or its duly authorized representatives.

In performing our Services, we may make use of certain Tools (as defined in **Appendix 2** to this SOW). In addition, we may make Tools available to you and, at your request, certain third parties. The terms and conditions of access to and use of Tools by you and any third parties to whom we grant access to a Tool are set forth in **Appendix 2** of this SOW.

In providing the Services, we will utilize the Tools (collectively, the “Tools” and each individually, a “Tool”), which we have developed, based on our professional experience and industry leading practices, to assist the Company with certain Services.

The Tools are confidential and proprietary to EY, and, accordingly, the Tools constitute "Materials" as set forth in the General Terms and Conditions. EY retains all intellectual property rights in and to the Tools and any modifications to the Tools created by EY under this SOW. You shall not, and shall not permit third parties to, copy or modify any Tools, or decompile, reverse engineer, or in any way derive any source code from, or create any derivative work of, any Tools.

The Tools are made available solely for your internal use in connection with your project for the period of our engagement hereunder. You will not disclose the Tools or any portion thereof to any third party, refer externally to EY, any EY Firm or EY Person in connection therewith, reproduce the Tools or use them other than as permitted by this SOW.

You will be responsible for making sure that the functionality and features of the Tools are satisfactory for your intended use. EY shall not be responsible for any maintenance, training, assistance, updates or support of any kind or nature related to the Tools other than to the extent set forth in this SOW during the course of performance of the Services under this SOW. You assume sole responsibility for the use of the Tools and the results thereof, including for your compliance with all applicable legal obligations related to your use of the Tools. You are responsible for maintaining the Tools and will indemnify us against any and all claims, damages, expenses and liabilities that arise out of or in connection with your use of the Tools or your breach of any of your obligations with respect thereto. Your use of Tools (or use on your behalf) is not a substitute for any documentation or system of records you must create or maintain pursuant to law, including, without limitation, Internal Revenue Code Section 6001. You alone are responsible for maintaining separate copies of any documentation you input into any Tools.

CLIENT ACKNOWLEDGES THAT THE TOOLS ARE PROVIDED “AS IS”, AND NEITHER EY NOR ANY OTHER PARTY INVOLVED IN THE CREATION, PRODUCTION, CUSTOMIZATION OR DELIVERY OF THE TOOLS MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO ANY TOOL, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE, TITLE, OR THAT THE OPERATION OF SUCH TOOL WILL BE UNINTERRUPTED, ERROR FREE OR THAT IT WILL BE COMPATIBLE WITH ANY OF YOUR HARDWARE OR SOFTWARE.

In its provision of the Services and performance of its obligations under the Agreement, EY may leverage certain software, cloud platforms, automation technology, data analytic technology, artificial intelligence technologies, hardware, programs, designs, utilities, tools, models, systems, as well as other methodologies and technologies that EY, other EY Firms, have developed (either by itself or on its behalf), or otherwise acquired a license, or other right to use (the “EY Technologies”). Client acknowledges that certain EY Technologies use Standard Platform Protocols<sup>3</sup>, and EY will provide and Client may receive the Services using or accessing such EY Technologies in accordance with its Standard Platform Protocols, provided that EY and EY Firms will comply with applicable law and professional obligations in its use of such EY Technologies.

Compliance with U.S. immigration requirements may require EY to provide certain information to the U.S. Citizenship and Immigration Services (“USCIS”) to confirm that EY employees on certain visas are, in fact, EY employees and not employees of Client or other clients of EY. This will include providing certain information regarding work locations to support compliance with the visa requirements. As such, EY may disclose to USCIS information regarding this SOW, including Client’s identity and location, as well as redacted agreements. Upon providing this information, EY will request that USCIS keep any such information confidential. In further support of these legal requirements, the U.S. Department of Labor (DOL) regulations, at 20 CFR § 655.734(a)(1)(ii)(A), require the posting of notice of a Labor Condition Application (LCA) in instances where individuals holding H-1B visas will be working on Client’s premises. EY and Client will work together to develop an appropriate notice as required.

EY resources will be operating at all times as an employee of and under the direction and control of Ernst & Young U.S. LLP’s management, and all activities including supervision, hiring and firing decisions, and performance evaluations are controlled by Ernst & Young U.S. LLP. Client will not have the right to control EY resources. At all times, EY resources will receive direction from an EY Manager while on-site at Client premises.

The Services may touch upon business relationships (such as transactions, agreements, products purchased) you have with a third party (an “EY Client”) for which EY (or another EY Firm) performs, or has performed, services unrelated to the business relationships. On behalf of yourself and your affiliates, you acknowledge and consent to our performance of such services for any EY Client, and agree that neither you nor your affiliates will make a claim that these circumstances present a conflict of interest, real or perceived, for us or any other EY Firm. If, however, our services for an EY Client directly relate to the business relationships, we will seek the consent of both you and the EY Client to the continued performance of the Services. In any event, we confirm that, except as you and the EY Client otherwise agree in writing, your respective confidential or privileged information will remain confidential in accordance with applicable professional standards.

Notwithstanding any obligation under any confidentiality agreement to return or destroy any such material, you acknowledge that we will retain, in confidence, a file copy of our work papers and Report in accordance with our professional obligations. Nothing contained herein shall benefit or create any right in, or any duty or obligation on our part to, anyone other than you.

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<sup>3</sup> “Standard Platform Protocols” – means the shared infrastructure, locations, and/or support model, assets, platforms, technical configurations, and/or procedures, underlying certain EY Technologies. Standard Platform Protocols may also include the retaining and use by EY and EY Firms of Client data for benchmarking, analytics, research and development, thought leadership and related purposes, and to enhance their services or products, provided that such use does not identify Client or any individuals related to Client, or otherwise make reference to Client.

EY will use reasonable efforts to provide the Services on-site at the Company's offices, provided that, in light of a pandemic the parties agree to cooperate to allow for remote working and/or an extended timeframe to the extent (i) any government or similar entity implements restrictions that may interfere with provision of onsite Services; (ii) either party implements voluntary limitations on travel or meetings that could interfere with provision of onsite Services, or (iii) an EY resource determines that he or she is unable or unwilling to travel in light of a pandemic-related risk.

We may retain, disclose and use Client Information that we collect in connection with any services we perform for you for research and thought leadership purposes, as well as for the purpose of providing services to other clients, as long as we identify you only in general terms in connection with such information.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

In connection with these Services, computer files may be transferred between EY and you. Neither of us assumes any responsibility to the other for any loss or damage caused by viruses contained in such computer files. EY will not perform any tests to determine whether versions submitted for its review contain viruses or similar problems. We shall have no responsibility to third parties for loss or damage caused by viruses or similar problems that may exist in computer files transferred by you to them.

In some circumstances, a sensitivity is a variation to represent an alternative business option (for example, an alternative financing structure), rather than to assess the potential effects of uncertain estimates. This type of sensitivity may be referred to as a "scenario". Our comparison of each sensitivity to the base case may be less effective for scenario-type sensitivities, where there are significant differences to the base case. Any sensitivity analysis should not be considered a recommendation or opinion.

### **Timetable**

Unless otherwise agreed, and subject to the General Terms and Conditions of the Agreement, we expect to perform the Services during the period from December 2020 to November 2021. Subject to your timely provision of all information we deem necessary to perform these Services, we anticipate forwarding our draft schedules to you at an agreed-upon future date.

### **Contacts**

You have identified Colleen Grable as your contact with whom we should communicate about these Services.

### **Engagement Team**

Greg Morris (Managing Director) will lead the EY team in providing the Valuation Services. Karen Brooks (Partner) will lead the EY team in providing the Accounting Services.

## Fees

The General Terms and Conditions of the Agreement address our fees and expenses generally.

You shall pay undisputed fees for the Services, which fees are based on the time that our professionals spend performing them. The table below reflects our agreed upon rates, by level of professional, as follows:

<b><u>Title</u></b>	<b><u>Hourly Rate (USD)</u></b>
National Partner	\$775
Partner/Principal	\$685
Managing Director	\$625
Senior Manager	\$540
Manager	\$470
Senior	\$350
Staff	\$200

<b><u>Services</u></b>	<b><u>Expected Fee Range at Above Rates (USD)</u></b>	
	<b>Low</b>	<b>High</b>
Valuation services	\$350,000	\$450,000
Accounting services	\$250,000	\$300,000

In addition, you shall reimburse EY for expenses incurred in connection with the performance of the Services, including reasonable and customary out-of-pocket expenses such as travel, meals, accommodations and other expenses specifically related to this engagement. Actual out-of-pocket costs incurred by EY and approved by Valaris in writing prior to incurring such expenses and while executing the Services will be billed separately.

You shall also pay all applicable taxes (including VAT and others imposed) incurred in connection with the delivery of the Services or the Reports (except for taxes imposed on EY's income). You shall also pay any administrative costs that result from billing arrangements specifically requested by you.

Your obligation to pay our fees and expenses is not contingent upon the results of the Services or the consummation of the proposed transaction.

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In witness whereof, the parties have executed this SOW as of the date set forth above.

Ernst & Young LLP

By: *Greg Morris*  
Greg Morris  
Managing Director

By: *Karen G. Brooks*  
Karen Brooks  
Partner

Valaris plc

By: *Colleen Grable*  
Colleen Grable  
Controller

## Appendix 1

### Statement of Limiting Conditions

1. Nothing has come to our attention to cause us to conclude that the facts and data set forth in this Report are not correct.
2. No investigation of the title to the subject company and subject assets has been made, and the owner's claim to the subject company and subject assets is assumed to be valid. To the extent that Ernst & Young LLP's services include any analysis of assets, properties or business interests, Ernst & Young LLP assumes no responsibility for matters of legal description or title, and Ernst & Young LLP shall be entitled to make the following assumptions: (i) title is good and marketable, (ii) there exist no liens or encumbrances, (iii) there is full compliance with all applicable regulations and laws, and (iv) all required licenses, certificates of occupancy, consents, or legislative or administrative authority have been or can be obtained or renewed for any use on which Ernst & Young LLP services are to be based.

Where real estate is included in our analysis, Ernst & Young LLP shall not assume any responsibility for identifying structural conditions of property. No analysis will be made of the subsurface or the hazardous waste conditions, if any. Our services shall not take into consideration the possibility of the existence of toxic substances, hazardous or contaminated conditions, or underground storage tanks, nor the costs associated with remediating such substances or conditions. Ernst & Young LLP is not qualified to detect, and shall not be responsible for detecting, such substance or conditions.

3. This Report has been prepared solely for the purpose stated, and may not be used for any other purpose. Neither this Report nor any portions hereof may be copied or disseminated through advertising, public relations, news, sales, Securities and Exchange Commission disclosure documents or any other public (or private) media without the express prior written approval of Ernst & Young LLP.
4. The recommendations, opinions, or calculations of values contained herein are not intended to represent the values of the subject company, assets, or interests at any time other than the effective date that is specifically stated in this Report. Changes in market conditions could result in values substantially different than those presented at the stated effective date. We assume no responsibility for changes in market conditions or for the inability of the owner to locate a purchaser of the subject company, assets or interests at the values stated herein.

With respect to our analysis, our work did not include an analysis of the potential impact of any unexpected sharp rise or decline in local or general financial market or economic conditions or technological changes.

5. No responsibility is assumed for information furnished by others, including management, and such information is concluded to be reliable.

In the course of our analysis, we were provided with written information, oral information, and/or data in electronic form, related to the structure, operation, and financial performance of the subject company / assets / interests. We have relied upon this information in our analyses and in the preparation of this Report and have not independently verified its accuracy or completeness.

6. Certain historical financial data used in our valuation were derived from audited and/or unaudited financial statements and are the responsibility of management. The financial statements may include disclosures required by generally accepted accounting principles. We have not independently verified the accuracy or completeness of this data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.
7. The estimates of cash flow data included herein are solely for use in the valuation analysis and are not intended for use as forecasts or projections of future operations. We have not performed an examination or compilation, nor have we performed an agreed-upon procedures engagement with regard to the accompanying cash flow data in accordance with standards prescribed by the American Institute of Certified Public Accountants, and, accordingly, do not express an opinion or offer any form of assurance on the accompanying cash flow data or their underlying assumptions. Furthermore, there will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be significant.
8. We assume no responsibility for any financial and tax reporting judgments, which are appropriately those of management. It is our understanding that management accepts responsibility for any financial statement and tax reporting issues with respect to the subject company / assets / interests covered by our analysis, and for the ultimate use of our Report.
9. Ernst & Young LLP is not required to furnish additional work or services, or to give testimony, or be in attendance in court with reference to the company / assets, interests in question or to update any Report, recommendation, opinion, calculation, analysis, conclusion or other document relating to its services for any events or circumstances unless arrangements acceptable to Ernst & Young LLP have been separately agreed with the Company.
10. This Report does not comprise a Comprehensive Written Business Valuation Report as described in BVS-VIII, by the Business Valuation Committee of the American Society of Appraisers (ASA) and approved by the ASA Board of Governors. Certain sections may have been omitted from this Report. Where applicable, the data underlying these sections will be retained in our working papers.

Disclosure of the contents of this Report may be governed by the Bylaws and Regulations of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. Possession of this Report or a copy thereof, or any part thereof, does not carry with it the right of publication, nor may it be used by anyone but the party for whom it has been prepared without the prior written consent and approval of Ernst & Young LLP.

## **Appendix 2**

### **Tools and Technology**

#### **Tools and Technology**

In performing our Services, we may make use of certain technologies, techniques, hardware, software, spreadsheets, models, templates, digital platforms and tools, which are developed by and proprietary to or licensed by an EY Firm (collectively, “Tools” and each, individually, a “Tool”), to facilitate our delivery of the Services. Subject to the terms and conditions of this SOW (and to any applicable additional terms and conditions, which may include third party license agreements), as part of our Services we may allow you and your advisors and other transaction participants to have access to the Tools and their contents, which may include EY Reports. To the extent we do so, any such access to and use of the Tools is subject in all respect to the terms and conditions set forth in this Appendix. Any breach of the provisions of this Appendix may result, in our sole discretion and without limitation, in the suspension or termination of your access to a Tool.

#### **Intellectual Property Rights**

All Tools are confidential and proprietary to or licensed by EY, and accordingly the Tools constitute “Materials” (as such term is defined in the Agreement). All intellectual property rights in the Tools, and in any modifications to the Tools created by EY under this SOW, belong to EY or its licensors. You shall have no right to (and shall not), and you shall not permit any third parties to, sub-license, copy, adapt, reverse engineer, decompile, disassemble or modify any software used in any Tool in whole or in part, or in any way derive any source code from, or create any derivative work of, any Tool.

#### **No Warranties**

All Tools are provided “AS IS,” and none of EY or any other party involved in the creation, production or delivery of any Tool makes any warranties, express or implied and whether by statute or otherwise, with respect to any Tool, including, without limitation, any implied warranty of satisfactory quality, merchantability, use of reasonable skill and care or fitness for any particular purpose or use, title, or that the operation of any Tool will be uninterrupted, error free or that it will be compatible with any of your hardware or software. You acknowledge that you shall be solely responsible for your use of the Tools. No responsibility or liability is or will be accepted by us in connection with your use of the Tools, including but not limited to the adequacy, accuracy, or completeness of any Tools or the output of any Tool or any conclusions or decisions that you reach through your use of a Tool. Without prejudice to the generality of the foregoing, insofar as there may be any responsibility on our part in connection with your use of a Tool our liability shall be limited in accordance with sections 16 to 21 of the General Terms and Conditions.

Except as otherwise expressly set forth in this SOW, EY shall not be responsible for any maintenance, training, assistance, updates or support of any kind or nature related to the Tools during the course of performance of the Services under this SOW or at any time thereafter.

## **Use of Tools**

You may use the Tools only in connection with our services under this SOW and you represent and warrant for yourself and on behalf of your authorized users that you will not use any Tool (a) in any way that breaches any applicable law or regulation; (b) in any way that is fraudulent or has any fraudulent purpose; (c) to knowingly transmit any data, send or upload any material that contains viruses, Trojan horses, worms, time bombs, spyware, adware or any other harmful programs or similar computer code designed to adversely affect the operation of any computer software or hardware. You also agree not to access without authority, interfere with, damage or disrupt (i) any part of any Tool; (ii) any equipment or network on which any Tool is stored; (iii) any software used in any Tool; or (iv) any equipment, network or software owned or used by any third party. You also acknowledge that you have implemented sufficient security measures to prevent any security violation that could result in damages to you or us. You will inform us without delay if you become aware of any potential or proven security risk, including but not limited to the use of user credentials by unauthorized parties, or if one of your authorized users leaves your employment such that their user access should be removed.

Except as expressly provided otherwise in this SOW or as we may consent otherwise in writing, if we provide you and, at our sole discretion, your authorized users access to one or more Tools, you shall ensure that: (i) each of your authorized users keeps a secure password and credentials only for his/her use of the Tool, (ii) such password shall be changed in accordance with our reasonable instructions, and (iii) you shall not provide any third party (including your affiliates, unless otherwise requested by you and agreed by us) with access to the Tool.

You will be responsible for making sure that the features and functionality of the Tools are satisfactory for your intended use. The Tools are not to be used (by you or on your behalf) to conduct ongoing management activities, and are not a substitute for any documentation or system of records you must create or maintain pursuant to law, including, without limitation, Internal Revenue Code Section 6001. You alone are responsible for maintaining separate copies of any documentation or data you input into any Tool or that we present through any Tool if you wish to maintain copies for your use. We may remove documents from your view without notification.

In the event of any conflict between the terms of use set out in this SOW and in any electronic acceptance required to access a Tool, the terms set out in this SOW shall prevail.

## **Third Parties**

If you request that we provide access to a Tool, and the contents of a Tool (including our Reports), to third parties, we reserve the right to grant or deny such access in our sole discretion. If we permit such access, we will require an executed release letter and/or an acceptance of our terms of use, in the form we prescribe, from those parties who are to receive access. Such execution may, in our discretion, be required by means of a “click through” acknowledgement and acceptance of our terms of use or by other electronic means. For any third party working on behalf of or in collaboration with you who is provided user access, you accept responsibility for the actions of such third party in utilizing the Tool.

We may at any time subcontract certain functions relating to the Tools to third parties who supply us with the hardware, software, services, products, programs and goods we need to operate and maintain the Tools. Accordingly, you agree to comply with such third-party terms and conditions as we reasonably require. Notwithstanding anything to the contrary in the Agreement, we do not assume any

responsibility for any third-party hardware, software, services, products, programs or goods, including, without limitation, their performance or compliance with your specifications or otherwise.

In performing the Services, EY will not take any action that EY reasonably believes could impair its independence with respect to any of its clients or those of other EY Firms. For example, we will not instruct, supervise, contract, or allow access to any Tool with/to an entity, without having first determined that such action would not impair our independence.

### **Tools and EY Reports**

We may use the Tools to provide access to information (which may include EY Reports) to you and other transaction participants. Any version of a report, data analytics visualizations or other information viewed in or printed from a Tool is referred to as a "Draft Report." Draft Reports are distinct from EY's final Report, which may be provided to you outside of the Tools (and which may be in hard copy form or provided via email). Neither you nor any other transaction participant may rely on any Draft Reports, which are not intended to be a substitute for any final Report. If a final Report is prepared, in the event of any inconsistency between EY's final Report and any draft Report, the final Report will prevail. Certain Tools may employ data analytics including, potentially, for the purpose of making on-screen presentations to you. Where we make such on-screen presentations to you, those on-screen presentations and any comments made thereon in discussions with you are intended only to assist your understanding of the work we have performed. They are not intended to be a substitute for our final Report and are not intended to modify any of the contents of our final Report. We assume no responsibility or liability whatsoever to you (or anyone else) in respect of any analysis or comments which are not reflected in our final Report.

We will provide you and such of your authorized users as we approve in our sole discretion access to the Tool for a period of time to be communicated in writing by the engagement team, subject to earlier termination at our sole discretion. For the purposes of this engagement, the period of access will be the period ending [thirty] days after the consummation and/or termination of the contemplated transaction, subject to earlier termination in our sole discretion.

In instances where Capital Edge is used, EY may not be associated with or referred to in connection with the information in Capital Edge. This prohibition includes footnote references or other representations (written or oral) by you that EY prepared or otherwise participated in gathering the information.

### **Confidentiality**

The Tools and their outputs (other than Client Information) constitute confidential information, subject to the provisions of Section 23 of the General Terms and Conditions of the Agreement. Except as expressly set forth in this SOW or as otherwise agreed in writing by EY, (i) the Tools and their contents are made available solely for your internal use in connection with your project for the period of our engagement hereunder and (ii) you will not disclose the Tools or their contents or any portion thereof to any third party or refer externally to EY, any EY Firm or any EY Person in connection therewith.

Notwithstanding the preceding paragraph and Section 12 of the General Terms and Conditions we may grant access via one or more Tools to draft Reports or other information, to your affiliates and to your and your affiliates' professional advisers, in each case solely for the purposes of the Emergence. You shall inform each of your affiliates and advisers and ensure that they agree before we grant them access to any draft Report or any other information via a Tool, that we assume no responsibility or liability

whatsoever to them in respect of the contents of the Tool, that they agree to be bound by the terms and conditions of the Agreement relating to restrictions on the use and disclosure of our Report or any other information and that they agree to the conditions of use set out in this Appendix. You accept that confidential Client Information may be included in Reports and other information to which access is provided in this way and agree that our provision of such access, on your request, will not constitute a breach of the confidentiality provisions of the Agreement.

### **Data Content of Tools**

While we may have performed certain procedures on raw data in order to enable it to function appropriately with the Tools, we have not created the underlying data provided, uploaded or amended by you or on your behalf and we do not have any responsibility to analyze, evaluate, verify or comment on it unless expressly agreed otherwise in this SOW. To the extent that as part of the engagement we use publicly available information or other third party sources, we will not verify the accuracy, reliability or completeness of such information or sources. It is your responsibility to ensure that any content provided by you or your authorized users that may be posted or stored on any Tool are compliant with applicable laws and regulations and do not infringe any third party rights, including but not limited to any intellectual property rights. You agree to take all necessary actions to ensure that the data uploaded to and/or used as part of any Tool has been properly saved.

Data residing in or accessed through a Tool may be hosted on servers in the United States or the European Union. If we are required to enter into contracts which prevent the transfer of data to either of these locations or which otherwise limit our ability to share information, we may not be able to allow access to such data or otherwise share information with you via the Tools.

### Appendix 3

#### Tools and Technology Additional Terms & Conditions

1. You agree to inform EY on a timely basis of all significant defects in Fresh Start Solution Tools of which either you are aware of when EY commences its work, or with regard to which you subsequently become aware of.
2. You represent and acknowledge to EY that you retain full responsibility for (a) the preparation and contents of Fresh Start Solution Tools and for the projections contained in them; and (b) the preparation, consistency, completeness and appropriateness of the input data to the extent you consider their contents relevant to the performance of EY Services. You agree that, during the course of this assignment, you will keep EY informed in a timely manner and provide EY with any information and explanations which are material to the performance of EY Services.
3. In performing its modeling services, EY may identify and comment on matters which may be of interest to you, but which would otherwise fall outside the agreed Scope of Services. By reporting such matters to you, this is not intended to extend the agreed Scope of Services and EY accepts no responsibility for conducting additional testing to ensure that all similar matters are brought to your attention.
4. EY will not investigate or review, the software within which Fresh Start Solution Tools operates (e.g., SQL Server, Microsoft Excel or Microsoft SharePoint) and shall have no responsibility for the consequences of any inherent defect in any third-party software programs.
5. In connection with the Services, computer files (including reports from Fresh Start Solution Tools) may be transferred between EY and you. Neither of us assumes any responsibility to the other for any loss or damage caused by viruses contained in such computer files. EY will not perform any tests to determine whether versions of Fresh Start Solution Tools and related reports contain viruses or similar problems. In addition, we shall have no responsibility to third parties for loss or damage caused by viruses or similar problems that may exist in computer files (including versions of Fresh Start Solution Tools) transferred by you to them.
6. While we may perform procedures involving scenario analysis pertaining to your prospective financial statements (“PFS”), the procedures do not constitute an examination or a compilation of PFS, nor the application of agreed-upon procedures thereto in accordance with standards established by the American Institute of Certified Public Accountants. Accordingly, we will not express an opinion on or offer any assurances as to whether the PFS are presented in conformity with AICPA presentation guidelines or as to whether the underlying assumptions provide a reasonable basis for PFS.
7. The PFS will be based on assumptions that will usually differ from actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We will have no responsibility to expand or update our procedures on revised PFS unless subsequently engaged to do so.

8. We are providing the Services solely for your benefit and use; there are to be no third-party beneficiaries of the Services, except your owners, the Board of Directors, Audit Committee and/or similar governing bodies of Valaris and/or its subsidiaries. We accept no responsibility for the consequences of any inherent defect in SQL, Excel, SharePoint or other programs on which Fresh Start Solution Tools relies. Following delivery of Fresh Start Solution Tools' outputs, (i) you will assume sole responsibility for such output, the projections contained within them, and the way in which they are subsequently used; and (ii) EY's responsibility for Fresh Start Solution Tools will cease. You are also responsible for the preparation, accuracy and completeness of the assumptions used for Fresh Start Solution Tools.
9. Due to the complexity and nature of business models, it is not possible, in general, to attain absolute assurance that such models are free from error. The risk that Fresh Start Solution Tools contains material errors may be reduced through testing. The degree of assurance provided by testing will be affected by the scope and extent of the procedures used.
10. We will perform limited testing of Fresh Start Solution Tools in the course of its construction and/or modification. Such testing will not be performed independently of the construction and/or modification process and will not represent a structured test program, and, accordingly, this testing should not be relied upon by users of Fresh Start Solution Tools to indicate Fresh Start Solution Tools is free from material error.
11. Detailed independent testing ('audit') of a business model may provide a high degree of assurance that the logic of Fresh Start Solution Tools is free from material logical error. We will not perform an audit of Fresh Start Solution Tools in the course of this engagement. You are responsible for determining whether you require a model audit in the context of your use of Fresh Start Solution Tools.
12. Fresh Start Solution Tools constitutes "Materials" as set forth in the General Terms and Conditions. EY retains all intellectual property rights in and to Fresh Start Solution Tools and any modifications to Fresh Start Solution Tools created by EY under this SOW. Client shall retain ownership of all content in Fresh Start Solution Tools, any information by or on Client's behalf and any projections or information resulting from the use of Fresh Start Solution Tools and such information shall be considered confidential information under the terms of the Agreement.
13. Under this SOW, EY will host the Fresh Start Solution Tools for the purposes of housing data related to the Emergence. You understand this will be done using Microsoft Azure, and understand no Personal Health Information (PHI)/Personal Identification Information (PII) data will be stored on this site.

## Appendix 4

### Form of Access Letter

[Letterhead of EY]

[Addressee (e.g., third party seeking access to EY Report)]

[Month XX, 20XX]

[Street Address]

[City, State Zip]

Dear [\_\_\_\_\_]:

[Client] (the “Client”) has informed Ernst & Young LLP (“EY”) that it wishes to disclose to [party seeking access] (the “Recipient”) EY’s Report dated [Insert date] resulting from advisory services EY provided to the Client in connection with [describe situation or transaction requiring our involvement] (the “Report(s)”). EY has not placed any limitations on the Client’s ability to disclose any contents of the Report relating to the tax aspects or structure of any transaction proposed by the Client.

EY performed advisory services only for the Client. EY did not undertake the services on behalf of, or to serve the needs of, the Recipient or any other third party. The Services did not constitute an audit of the Client’s financial statements, nor did EY perform any procedures with respect to the Client’s financial information and, accordingly, the Report does not express any form of assurance. EY did not conclude on the appropriate accounting treatment for the Client, based on specific facts nor did it recommend an accounting policy/treatment for the Client’s adoption. The observations relating to accounting matters that EY provided to the Client were intended solely to assist the Client in reaching its own conclusions.

EY prepared the Report(s) solely for the Client. The Report(s) address[ es] only the issues identified by the Client, and [ is/are] based solely on information obtained by EY using the procedures specified by the Client or otherwise provided by or on behalf of the Client. The Report(s) [ is/are] subject to many limitations and [ do/does] not provide any form of assurance with respect to any of the information described or referred to therein. The Recipient understands and accepts the scope and limitations of the Report(s). The Recipient has performed or will perform its own due diligence inquiries and procedures for all purposes, including but not limited to satisfying itself as to the financial condition and control environment of the Client as well as the appropriateness of the accounting for any particular situation addressed by the Report(s).

Except (1) where compelled by legal process (of which the Recipient will immediately notify EY and tender to EY, if it so elects, the defense thereof), (2) with respect to any contents of the Report relating to the tax treatment and tax structure of the proposed transaction (including any facts that may be relevant to understanding the proposed tax treatment of the proposed transaction), or (3) with EY’s prior written consent, the Recipient will not, circulate, quote, disclose or distribute any of the Report(s)

or any information contained therein, or any summary or abstract thereof, or make any reference thereto or to EY, to anyone other than the Recipient's directors, officers or employees or legal advisors who, in each case, need to know its contents in order for the Recipient to perform its obligations to the Client, and who have agreed to be bound by the terms and conditions of this agreement to the same extent as the Recipient.

The Recipient further agrees that it will not, and will not permit others to, quote or refer to the Report, any portion, summary or abstract thereof, or to EY, in any document filed or distributed in connection with (a) a purchase or sale of securities to which the United States or state securities laws ("Securities Laws") are applicable or (b) periodic reporting obligations under Securities Laws. The Recipient will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

In further consideration of EY allowing the Recipient access to the Report(s) and the information contained therein, the Recipient agrees that:

1. It does not acquire any rights against EY, and EY does not assume any duties or obligations to the Recipient or otherwise, as a result of such access.
2. It will not rely on the Report(s) or any portion thereof and will make no claim that it has done so.
3. It will make no claim against EY, its partners, employees or affiliates, or other members of the global Ernst & Young network (collectively, the "EY Parties" that relates in any way to the Report(s), any information contained therein, or the Recipient's access to the Report(s).
4. To the fullest extent permitted by applicable law, it will indemnify, defend and hold harmless the EY Parties from and against any claim or expense, including reasonable attorneys' fees, suffered or incurred by any EY Party relating to any breach by the Recipient of any of its representations or agreements contained herein or the use or disclosure of the Report(s) or any portion thereof by anyone who received it directly or indirectly from or at the request of the Recipient.

This letter shall be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and fully to be performed therein by residents thereof.

Very truly yours,

Ernst & Young LLP [replace with EY facsimile signature when final]

Accepted by:

[Addressee]

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

**Exhibit 2**

**Tax Accounting SOW**

## Statement of Work

This Statement of Work, dated November 23, 2020 (this “SOW”), is made by Ernst & Young LLP (“we” or “EY”) and Valaris plc (“Valaris”, “you”, the “Company”, or “Client”), pursuant to the Agreement, dated August 19, 2020 (the “Agreement”), between EY and Valaris, which was executed in connection with Valaris filing a petition under Chapter 11 of the United States Bankruptcy Code (“Chapter 11”) on August 19, 2020 with the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”), and describes certain services as subsequently described that EY will perform for Valaris during Valaris’ Chapter 11 proceedings. This SOW shall be effective as of December 14, 2020.

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. In the event of any conflict between the SOW and this Agreement, the Agreement shall control and govern in all circumstances. The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other Statement of Work pursuant to the Agreement. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings in the Agreement, and references in the Agreement to “you” or “Client” shall be deemed references to you.

## Objective and Purpose

The objective of our engagement is to provide income tax and income tax accounting assistance to Valaris as described further below (collectively referred to herein as the “Services”) related to Valaris’ filing of a petition under Chapter 11 for the Bankruptcy Court and accounting and financial reporting considerations.

## Scope of services

EY will provide income tax and fresh start income tax accounting advisory services related to Chapter 11 Bankruptcy (“the Services”) as described in more detail below to Valaris in accordance with the terms and conditions that are set forth in the Agreement (inclusive of this SOW).

### Fresh Start Tax Accounting Services

Our services will be prepared in accordance with US GAAP Accounting Standards Codification Topic ASC 740, “Accounting for Income Taxes”. And our scope of services will primarily focus on assisting you with general and technical tax accounting matters around your financial reporting and documentation in connection with the preparation of your 2020 and 2021 quarterly and annual financial statements and your opening ASC 852 Fresh Start “Reorganizations” emerging balance sheet and related disclosures.

At your direction, we will perform the following services:

- ▶ Work with the Accounting team, Valuation team or other outside advisors, as necessary and applicable, to understand the tax accounting implications of specific balances and adjustments;
- ▶ Assist Client in computing deferred tax assets and liabilities, including any valuation allowance. All judgments and determinations of the need for, and amount of, any valuation allowance will be the sole responsibility of Client, as to which Client’s independent auditors should concur;
- ▶ Prepare calculations, including but not limited to book-tax differences as requested by Client, for use in its preparation of its U.S. GAAP tax provision, current tax provision and deferred tax balances for the predecessor and successor periods;
- ▶ Assist management in determining appropriate fresh start reserve for uncertain tax positions;

- ▶ Assist with tax-related financial statement disclosures necessary with both the predecessor and successor periods;
- ▶ Prepare a work plan with management, auditors, outside advisors, and other key stakeholders, if requested;
- ▶ Discuss a process to facilitate additional year-end closing within a fiscal year and discuss various computational updates for future reporting periods;
- ▶ Provide general interpretation of accounting standards, including general provisions and high-level application;
- ▶ Assist Client in drafting documentation regarding the accounting treatment related to the bankruptcy emergence and ASC 852 Fresh Start accounting;
- ▶ Participate in discussions with the Company's auditor as necessary and requested by Management;
- ▶ Assist Client with responses to the queries of your external auditors in relation to the calculations prepared, as mentioned above; and
- ▶ Assist Client with other general ad hoc tax accounting and reporting matters.
  
- ▶ In addition to the fresh start tax accounting services noted above, upon request by Client, we can provide tax services in connection with your final transaction structure, including, potentially, the following Services:
  - ▶ Preparation of a tax basis balance sheet, or short period taxable income required for the restructuring analysis relating to the restructuring and bankruptcy emergence;
  - ▶ Review Final Transaction Structure and discuss with management and the Company's outside service providers;
  - ▶ Review relevant court documents to ensure consistency with transaction structure and analyze any other tax ramifications contained in filings; and
  - ▶ Analyze tax models and computations relating to any tax restructuring and cancellation of debt income arising from both a federal and state income tax perspective.

### **Out-of-Scope Services**

Any activities not described as Services, as indicated above under Scope of Services, are not covered by the fees stated herein. These services will be considered outside the scope of this SOW and are the responsibility of Valaris to perform on a timely basis unless otherwise agreed by the parties in writing (in a separate SOW or an amendment to this SOW) and approved by the Bankruptcy Court. Any additional services to be performed by EY outside the scope of the Services set forth above or any change in the scope of the Services will be mutually agreed between the parties in writing.

### **Your specific obligations**

You alone are responsible for the scope and sufficiency of the Services. We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the Agreement, as well as your

management responsibilities under paragraph 6, your obligations under paragraphs 11 and 12, and your representation, as of the date hereof, under paragraph 26 thereof.

You alone are responsible for any decisions to implement actions identified in the Accounting Services, including implementing all aspects of the fresh start accounting.

You alone are responsible for any decisions to implement actions identified in the Services, including as necessary to apply US GAAP appropriately and for compliance with applicable regulatory requirements, including the determination of your accounting policies. You are solely responsible for the preparation of your financial statements, including making all of the judgments inherent in preparing them.

You are responsible for notifying your independent auditor of the performance of the Accounting Services and consulting with them on the application of accounting principles and your related accounting policies. You agree that we may make inquiries of your independent auditor in connection with the performance of the Accounting Services, provided that, representatives from Client are present during the discussion. You will arrange for periodic status meetings (including consultation, as needed) that include representatives from Client, EY, and your independent auditor.

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which United States or state securities laws (“Securities Laws”) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this Agreement.

Client is permitted to use information in our Reports that are not issued on EY letterhead and do not bear any EY branding or otherwise refer to EY (“Whitepaper Reports”), or excerpts from such Reports, in communication with third parties without the restrictions of Paragraph 12 of the General Terms and Conditions of the Agreement, as long as (i) there is no reference to, or communication of, EY’s or any of EY Firm’s involvement in the development of such Report, and (ii) you assume sole responsibility for the contents of the Report.

**Specific additional terms and conditions**

EY will not render an assurance report or assurance opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation, as those terms are identified by the AICPA or by the Public Company Accounting Oversight Board. Accordingly, we will not express any form of assurance on accounting matters, financial statements, any financial or other information or internal controls as part of the Services. None of the Services or any Reports will constitute any legal opinion or legal advice. We will not conduct a review to detect fraud or illegal acts.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Our Reports may contain advice or communications that may be privileged under Internal Revenue Code Section 7525. If such information is provided to persons other than your management, directors, or your legal counsel involved in its preparation or responsible for determining whether to implement it, you may waive such privilege.

Notwithstanding anything to the contrary in the Agreement or this SOW, you may provide the Reports to your external auditor without the necessity of written acknowledgement from such party, provided that you inform such party in writing that it does not acquire any rights against EY and EY does not assume any duties or obligations, to such party as a result of such access

If we receive a request from a third party for any information relating to our Tax Advice, we will notify you and will not release any such information unless you have executed an appropriate written consent authorizing such disclosure and the third party has executed a non-reliance and release letter acceptable to us in form and substance.

Compliance with U.S. immigration requirements may require EY to provide certain information to the U.S. Citizenship and Immigration Services (“USCIS”) to confirm that EY employees on certain visas are, in fact, EY employees and not employees of Client or other clients of EY. This will include providing certain information regarding work locations to support compliance with the visa requirements. As such, EY may disclose to USCIS information regarding this SOW, including Client’s identity and location, as well as redacted agreements. Upon providing this information, EY will request that USCIS keep any such information confidential. In further support of these legal requirements, the U.S. Department of Labor (DOL) regulations, at 20 CFR § 655.734(a)(1)(ii)(A), require the posting of notice of a Labor Condition Application (LCA) in instances where individuals holding H-1B visas will be working on Client’s premises. EY and Client will work together to develop an appropriate notice as required.

EY resources will be operating at all times as an employee of and under the direction and control of Ernst & Young U.S. LLP’s management, and all activities including supervision, hiring and firing decisions, and performance evaluations are controlled by Ernst & Young U.S. LLP. Client will not have the right to control EY resources. At all times, EY resources will receive direction from an EY Manager while on-site at Client premises.

The Services may touch upon business relationships (such as transactions, agreements, products purchased) you have with a third party (an “EY Client”) for which EY (or another EY Firm) performs, or has performed, services unrelated to the business relationships. On behalf of yourself and your affiliates, you acknowledge and consent to our performance of such services for any EY Client, and agree that neither you nor your affiliates will make a claim that these circumstances present a conflict of interest, real or perceived, for us or any other EY Firm. If, however, our services for an EY Client directly relate to the business relationships, we will seek the consent of both you and the EY Client to the continued performance of the Services. In any event, we confirm that, except as you and the EY Client otherwise agree in writing, your respective confidential or privileged information will remain confidential in accordance with applicable professional standards.

Notwithstanding any obligation under any confidentiality agreement to return or destroy any such material, you acknowledge that we will retain, in confidence, a file copy of our work papers and Report in accordance with our professional obligations. Nothing contained herein shall benefit or create any right in, or any duty or obligation on our part to, anyone other than you.

We may retain, disclose and use Client Information that we collect in connection with any services we perform for you for research and thought leadership purposes, as well as for the purpose of providing services to other clients, as long as we identify you only in general terms in connection with such information.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your

name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

### **Timetable**

Unless otherwise agreed, and subject to the General Terms and Conditions of the Agreement, we expect to perform the Services during the period from November 2020 to December 2021. Subject to your timely provision of all information we deem necessary to perform these Services, we anticipate forwarding our draft schedules to you at an agreed-upon future date.

### **Contacts**

You have identified Colleen Grable as your contact with whom we should communicate about these Services.

### **Engagement Team**

David Weintraub (Managing Director) will lead the EY team in providing the Tax Services.

### **Fees**

The General Terms and Conditions of the Agreement address our fees and expenses generally. You shall pay undisputed fees for the Services, which fees are based on the time that our professionals spend performing them. The table below reflects our agreed upon rates, by level of professional, as follows:

<b>Title</b>	<b>Hourly Rate (USD)</b>
National Partner	\$775
Partner/Principal	\$685
Managing Director	\$625
Senior Manager	\$540
Manager	\$470
Senior	\$350
Staff	\$200

In addition, you shall reimburse EY for expenses incurred in connection with the performance of the Services, including reasonable and customary out-of-pocket expenses such as travel, meals accommodations and other expenses specifically related to this engagement. Actual out-of-pocket costs incurred by EY and approved by Valaris in writing prior to incurring such expenses and while executing the Services will be billed separately.

We will submit invoices on a monthly basis and undisputed invoices will be due 30 days from invoice date. You will provide a Purchase Order or other such details in a timely manner, should this be required by you for payment. Any delays in providing a Purchase Order or any information necessary for our invoicing will not affect the payment terms based on our invoice date.

You shall also pay all applicable taxes (including VAT and others imposed) incurred in connection with the delivery of the Services or the Reports (except for taxes imposed on EY's income). You shall also pay any administrative costs that result from billing arrangements specifically requested by you.

Your obligation to pay our fees and expenses is not contingent upon the results of the Services or the consummation of the proposed transaction.

\*\*\*\*\*

In witness whereof, the parties have executed this SOW as of the date set forth above.

Ernst & Young LLP

*Ernst & Young LLP*

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

Valaris plc

By: \_\_\_\_\_  
David Armour  
VP of Tax

*David Armour*

**Exhibit 3**

**Singapore Tax Compliance SOW**



Ernst & Young LLP  
5 Houston Center  
Suite 1200  
1401 McKinney Street  
Houston, TX 77010

Tel: +1 713 750 1500  
Fax: +1 713 750 1501  
ey.com

## Statement of Work

This Statement of Work, dated December 3, 2020 (this “SOW”), is made by Ernst & Young LLP (“we” or “EY”) and Valaris plc, on behalf of itself and affiliates (collectively, “you” or “Client”); pursuant to the Agreement, dated August 19, 2020 (the “Agreement”), between EY and Valaris plc, which was executed in connection with the Client filing a petition under Chapter 11 of the United States Bankruptcy Code (“Chapter 11”) on or about August 19, 2020 with the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”), and describes certain services that EY will perform for the Client during the Client’s Chapter 11 proceedings. This SOW shall be effective as of August 19, 2020, the date of the Client’s filing a Chapter 11 petition with the Bankruptcy Court.

## Scope of Services

EY will provide the following Services to you (the “Services”) starting November 18, 2020 and ending December 31, 2022, for Singapore compliance matters for RD International Services Pte Ltd (the “Company”).

1. Assist with the submission of the Estimated Chargeable Income (ECI) for the Financial Year (FY) 2020 to the Inland Revenue Authority of Singapore (IRAS) on behalf of the Company; and
2. Assisting in the preparation of the Company’s income tax returns and computations for FY 2018, FY 2019 and FY 2020 and submission of the same after the company approves them to the IRAS.

We may access tax information relating to you that is posted by governmental entities, partnerships, or others in order to provide tax services to you, in cases where we determine that it would be efficient for us to do so. However, you remain responsible for making sure that you have provided us with all relevant information to support our provision of tax services. If we are preparing returns for you, this includes either providing us with all required Forms 1099-G, Schedules K-1, and other tax forms made available to you, or informing us specifically that such forms should be obtained online. While we may access such forms online for purposes of convenience, we are not responsible for identifying such forms, nor are we responsible for collecting any particular form on your behalf unless you have specifically requested that we do so and we have agreed.

This engagement does not include any advice or determinations regarding what expenses may be qualified research expenses under Internal Revenue Code §41 or comparable state statutes.

All client copies of the tax return(s) will be presented to Client in an electronic format.

Upon written request, EY will assist Client with other tax compliance services, including preparation of additional returns for the current tax year, and extension requests and computation of estimated tax payments for subsequent tax years. However, these services are not covered under the fee quoted in this letter. We will be happy to discuss and provide fee estimates for such additional services, which



would be invoiced separately and subject to all other terms and conditions of this SOW and the above-referenced Agreement.

### **Your obligations**

We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the Agreement, as well as your management responsibilities under paragraph 6, and your representation, as of the date hereof, under paragraph 26 thereof.

You will not, and you will not permit others to, quote or refer to any Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (“Securities Laws”) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this SOW.

### **Engagement Team**

Brock Griffiths (Partner) and Daniel McMaster (Senior Manager) will lead the EY team in providing the Services.

### **Scope Specific Provisions**

Client authorizes EY, its affiliates, other members of the global Ernst & Young network, including those located outside the United States, and subcontractors providing services on our or their behalf, to disclose Client’s tax return information received or generated in connection with the Services described in this SOW, prior-years’ tax return information and information relating to the immediately succeeding tax year, to and among each other for the purpose of rendering the Services, discussing and providing other services to you (including tax advisory services and bringing to your attention planning opportunities we may identify based upon the preparation and/or review of your tax returns), and conducting quality reviews and reviews of compliance with EY policies and professional standards. You have the ability to request a more limited disclosure of tax return information than that described above. If, at any time, you would like us to narrow the scope of the information to be disclosed, please contact us in writing and we will limit any disclosures that have not yet occurred. You acknowledge that this consent will be valid for three years from the date this SOW is signed by you below.

Subject to Bankruptcy Court approval, we may subcontract a portion of the Services to one or more EY Firms and to subcontractors, including retired EY tax partners, working under our direction who may communicate directly with you. EY, however, will remain solely responsible to Client for the performance of the Services. If EY has prepared or reviewed (or will prepare or review) Client’s U.S. income tax returns, Client authorizes the EY Firms, including those located outside the United States, and our subcontractors to disclose information received or generated in connection with the preparation of any such U.S. income tax returns of the Client to and among each other for the purpose



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of rendering the Services and discussing and providing other services to you. You have the ability to request a more limited disclosure of tax return information than that described above. If, at any time, you would like us to narrow the scope of the information to be disclosed, please contact us in writing and we will limit any disclosures that have not yet occurred. You acknowledge that this consent will be valid for three years from the date this SOW is signed by you below.

EY, the other EY Firms and our respective service providers may Process Client Information obtained in connection with Services performed for you, for benchmarking, research, thought leadership and related purposes, and to enhance the services we provide to you and other clients, provided that we do not identify you or any individuals related to you, or otherwise make reference to you, in connection with these matters. In all such matters, we will comply with applicable law and professional obligations.

### Contacts

You have identified Christian Ochoa as your contact with whom we should communicate about these Services. Your contact at EY for these Services will be Brock Griffiths.

### Fees

The General Terms and Conditions of the Agreement address our fees and expenses generally.

You shall pay a fee of SGD 34,980 with respect to our scope of Services.

You shall also pay any potential value-added taxes (VAT), sales taxes, and other indirect taxes incurred in connection with the delivery of the Services, including any such taxes and related administrative costs that result from billing arrangements specifically requested by you.

Any expenses, applicable taxes, or other charges, if any, will be billed separately as incurred.

Invoice Date	Payment Due	Amount (SGD)
Upon signature of this SOW	Net 45 days	17,000
February 1, 2021		10,000
July 1, 2021		7,980
Total Fees		34,980



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You confirm that you are authorized to bind all parties listed below to the terms of this SOW.

Any legislative or regulatory change that significantly alters the scope of the Services, or the amount of time required to deliver the Services, will be considered an event for which EY may modify the fees. Accordingly, EY and Client shall promptly meet to negotiate an adjustment in the fees payable to EY as a result of such changes. EY shall have no obligation to commence work in connection with such changes until the fee impact is agreed upon by the parties in writing.

Thank you again for your selection of our firm.

*Ernst + Young LLP*

Valaris plc

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

*Christian Ochoa*  
Christian Ochoa  
Tax Director

Date: \_\_\_\_\_

*17 December 2020*

**Exhibit 4**

**Results of Connections Check for Additional Parties in Interest**

No.	Name of Entity	No Connection	Connection
1558	Jefferies		X
1559	FTI Consulting		X
1560	Gordon Gillies	X	
1561	Graco Mechanical, Inc.	X	
1562	Oracle America, Inc.		X
1563	Wilmington Savings Fund Society, FSB, as DIP Agent		X