

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**Form 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-36504

**Weatherford International public limited company**

(Exact Name of Registrant as Specified in Its Charter)

**Ireland**

(State or Other Jurisdiction of Incorporation or Organization)

**98-0606750**

(IRS Employer Identification No.)

**Bahnhofstrasse 1, 6340 Baar, Switzerland**

(Address of Principal Executive Offices including Zip Code)

**CH 6340**

(Zip Code)

**Registrant's Telephone Number, Including Area Code: +41.22.816.1500**

**N/A**

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of July 13, 2015, there were 775,296,080 shares of Weatherford ordinary shares, \$0.001 par value per share, outstanding.

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**PART I – FINANCIAL INFORMATION**
**Item 1. Financial Statements.**

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

<i>(Dollars and shares in millions, except per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
<b>Revenues:</b>				
Products	\$ 891	\$ 1,490	\$ 1,931	\$ 2,936
Services	1,499	2,221	3,253	4,371
Total Revenues	2,390	3,711	5,184	7,307
<b>Costs and Expenses:</b>				
Cost of Products	802	1,101	1,705	2,165
Cost of Services	1,214	1,728	2,513	3,503
Research and Development	59	75	123	144
Selling, General and Administrative Attributable to Segments	339	396	702	810
Corporate General and Administrative	53	59	120	133
Long-Lived Assets Impairment and Other Related Charges	181	143	191	143
Goodwill and Equity Investment Impairment	20	125	20	125
Restructuring Charges	69	59	110	129
Litigation Charges	112	—	112	—
Loss on Sale of Businesses, Net	5	—	2	—
Total Costs and Expenses	2,854	3,686	5,598	7,152
Operating Income (Loss)	(464)	25	(414)	155
<b>Other Income (Expense):</b>				
Interest Expense, Net	(117)	(128)	(237)	(254)
Foreign Exchange Related Charges	(16)	—	(42)	—
Other, Net	(18)	(19)	(29)	(28)
Loss Before Income Taxes	(615)	(122)	(722)	(127)
(Provision) Benefit for Income Taxes	132	(11)	132	(38)
Net Loss	(483)	(133)	(590)	(165)
Net Income Attributable to Noncontrolling Interests	6	12	17	21
Net Loss Attributable to Weatherford	\$ (489)	\$ (145)	\$ (607)	\$ (186)
Loss Per Share Attributable to Weatherford:				
Basic and Diluted	\$ (0.63)	\$ (0.19)	\$ (0.78)	\$ (0.24)
Weighted Average Shares Outstanding:				
Basic and Diluted	778	777	778	776

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**(UNAUDITED)**

<i>(Dollars in millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Net Loss	\$ (483)	\$ (133)	\$ (590)	\$ (165)
Other Comprehensive Income (Loss), Net of Tax:				
Currency Translation Adjustments	115	166	(230)	(36)
Defined Benefit Pension Activity	(1)	—	21	—
Other Comprehensive Income (Loss)	114	166	(209)	(36)
Comprehensive Income (Loss)	(369)	33	(799)	(201)
Comprehensive Income Attributable to Noncontrolling Interests	6	12	17	21
Comprehensive Income (Loss) Attributable to Weatherford	\$ (375)	\$ 21	\$ (816)	\$ (222)

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

<i>(Dollars and shares in millions, except par value)</i>	<b>June 30, 2015</b>	<b>December 31, 2014</b>
	<b>(Unaudited)</b>	
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 611	\$ 474
Accounts Receivable, Net of Allowance for Uncollectible Accounts of \$121 in 2015 and \$108 in 2014	2,259	3,015
Inventories, Net	2,921	3,087
Deferred Tax Assets	295	303
Other Current Assets	978	1,065
<b>Total Current Assets</b>	<b>7,064</b>	<b>7,944</b>
Property, Plant and Equipment, Net of Accumulated Depreciation of \$7,141 and \$6,895	6,694	7,123
Goodwill	2,945	3,011
Other Intangible Assets, Net of Accumulated Amortization of \$765 and \$733	390	440
Equity Investments	81	106
Other Non-Current Assets	460	265
<b>Total Assets</b>	<b>\$ 17,634</b>	<b>\$ 18,889</b>
<b>Current Liabilities:</b>		
Short-term Borrowings and Current Portion of Long-term Debt	\$ 1,556	\$ 727
Accounts Payable	1,104	1,736
Accrued Salaries and Benefits	410	425
Income Taxes Payable	105	230
Other Current Liabilities	962	909
<b>Total Current Liabilities</b>	<b>4,137</b>	<b>4,027</b>
Long-term Debt	6,268	6,798
Other Non-Current Liabilities	982	1,031
<b>Total Liabilities</b>	<b>11,387</b>	<b>11,856</b>
<b>Shareholders' Equity:</b>		
Shares - Par Value \$0.001; Authorized 1,356 shares, Issued and Outstanding 775 shares at June 30, 2015 and 774 shares at December 31, 2014	1	1
Capital in Excess of Par Value	5,441	5,411
Retained Earnings	1,820	2,427
Accumulated Other Comprehensive Loss	(1,090)	(881)
Weatherford Shareholders' Equity	6,172	6,958
Noncontrolling Interests	75	75
<b>Total Shareholders' Equity</b>	<b>6,247</b>	<b>7,033</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 17,634</b>	<b>\$ 18,889</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**

(Dollars in millions)	Six Months Ended June 30,	
	2015	2014
<b>Cash Flows From Operating Activities:</b>		
Net Loss	\$ (590)	\$ (165)
Adjustments to Reconcile Net Loss to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	627	706
Employee Share-Based Compensation Expense	34	31
Long-Lived Assets Impairment	124	143
Restructuring and Other Asset Related Charges	122	—
Goodwill and Equity Investment Impairment	20	125
Litigation Charges	112	—
Deferred Income Tax Provision (Benefit)	(191)	16
Foreign Exchange Related Charges	42	—
Other, Net	86	2
<b>Change in Operating Assets and Liabilities, Net of Effect of Businesses Acquired:</b>		
Accounts Receivable	687	32
Inventories	76	(70)
Other Current Assets	27	(73)
Accounts Payable	(616)	(155)
Billings in Excess of Costs and Estimated Earnings	(1)	(127)
Other Current Liabilities	(173)	(342)
Other, Net	(137)	(94)
Net Cash Provided by Operating Activities	<u>249</u>	<u>29</u>
<b>Cash Flows from Investing Activities:</b>		
Capital Expenditures for Property, Plant and Equipment	(411)	(662)
Acquisitions of Businesses	—	17
Acquisition of Intellectual Property	(3)	(3)
Proceeds from Sale of Assets and Businesses, Net	23	26
Net Cash Used in Investing Activities	<u>(391)</u>	<u>(622)</u>
<b>Cash Flows From Financing Activities:</b>		
Repayments of Long-term Debt, Net	(161)	(36)
Borrowings of Short-term Debt, Net	478	738
Excess Tax Benefits from Share-Based Compensation	—	4
Proceeds from Sale of Executive Deferred Compensation Plan Treasury Shares	—	22
Other Financing Activities, Net	(15)	(6)
Net Cash Provided by Financing Activities	<u>302</u>	<u>722</u>
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(23)	7
Net Increase in Cash and Cash Equivalents	137	136
Cash and Cash Equivalents at Beginning of Period	474	435
Cash and Cash Equivalents at End of Period	<u>\$ 611</u>	<u>\$ 571</u>
<b>Supplemental Cash Flow Information:</b>		
Interest Paid	\$ 239	\$ 259
Income Taxes Paid, Net of Refunds	\$ 180	\$ 205

The accompanying notes are an integral part of these condensed consolidated financial statements.

**WEATHERFORD INTERNATIONAL PLC AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**1. General**

The accompanying unaudited Condensed Consolidated Financial Statements of Weatherford International plc (the “Company”) are prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) and include all adjustments of a normal recurring nature which, in our opinion, are necessary to present fairly our Condensed Consolidated Balance Sheet at June 30, 2015 and December 31, 2014, Condensed Consolidated Statements of Operations and Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and six months ended June 30, 2015 and 2014, and Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2015 and 2014. When referring to “Weatherford” and using phrases such as “we,” “us,” and “our,” the intent is to refer to Weatherford International plc, a public limited company organized under the law of Ireland, and its subsidiaries as a whole or on a regional basis, depending on the context in which the statements are made.

Although we believe the disclosures in these financial statements are adequate, certain information relating to our organization and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted in this Form 10-Q pursuant to U.S. Securities and Exchange Commission (“SEC”) rules and regulations. These financial statements should be read in conjunction with the audited Consolidated Financial Statements for the year ended December 31, 2014 included in our Annual Report on Form 10-K. The results of operations for the three and six months ended June 30, 2015 are not necessarily indicative of the results expected for the year ending December 31, 2015.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenses during the reporting period, and disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates and assumptions, including those related to uncollectible accounts receivable, lower of cost or market of inventories, equity investments, intangible assets and goodwill, property, plant and equipment, income taxes, percentage-of-completion accounting for long-term contracts, self-insurance, foreign currency exchange rates, pension and post-retirement benefit plans, contingencies and share-based compensation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

***Change in Reportable Segments***

During the first quarter of 2015, we changed our business structure to better align with management’s current view and future growth objectives. This involved separating our Land Drilling Rigs business into a reportable segment resulting in a total of five reportable segments. We have recast prior periods to conform to the current business segment presentation. See “Note 15 – Segment Information” for additional information.

***Principles of Consolidation***

We consolidate all wholly-owned subsidiaries, controlled joint ventures and variable interest entities where the Company has determined it is the primary beneficiary. Investments in affiliates in which we exercise significant influence over operating and financial policies are accounted for using the equity method. All material intercompany accounts and transactions have been eliminated in consolidation.

***Foreign Exchange Related Charges – Devaluation and Other Inflationary Impacts***

A new Venezuelan currency exchange system, known as the “Marginal Currency System” (or “SIMADI”), opened for trading February 12, 2015, replacing Venezuela’s Supplementary Foreign Currency Administration System auction rate (“SICAD II”) mechanism. The SIMADI is intended to provide limited access to a free market rate of exchange. In the first quarter of 2015, we began using the SIMADI rate and recognized remeasurement charges of \$26 million and we will continue to monitor the impact on our financial statements of the evolving Venezuela exchange rate. At June 30, 2015 our net monetary asset position denominated in Venezuelan bolivar was approximately \$7 million.

In the second quarter of 2015, the Angolan kwanza devalued approximately 11% and we recognized foreign exchange related charges of \$16 million. We will continue to monitor the impact on our financial statements of the evolving Angola exchange rate. At June 30, 2015 our net monetary asset position denominated in Angolan kwanza was approximately \$124 million.

## **2. Business Combinations and Divestitures**

### ***Acquisitions***

From time to time, we acquire assets and businesses we believe are important to our long-term strategy or dispose of assets and businesses that are no longer a strategic fit within our business. We did not complete any acquisitions or divestitures during the first six months ended June 30, 2015.

In April 2014, we acquired an additional 30% ownership interest in a joint venture in China. We paid \$13 million for the incremental interest, thereby increasing our ownership interest from 45% to 75% and gaining control of the joint venture. As a result of this transaction, we adjusted our previously held equity investment to fair value, recognizing a \$16 million gain, and we applied the consolidation method of accounting, recognizing \$6 million of goodwill and \$30 million of cash.

In May 2012, we acquired a company that designs and produces well completion tools. Our purchase consideration included a contingent consideration arrangement valued at approximately \$3 million at December 31, 2014. At June 30, 2015, the contingent consideration arrangement was valued at approximately \$12 million, and is expected to be settled in 2016.

### ***Divestitures***

We completed the sale of our pipeline and specialty services business in September 2014. As of December 31, 2014, we received consideration of \$246 million, (\$245 million, net of cash disposed) and recognized a gain of approximately \$49 million resulting from this transaction.

In early July 2014, we completed the sale of our land drilling and workover rig operations in Russia and Venezuela. As of December 31, 2014, we received cash consideration of \$499 million (\$486 million, net of cash disposed). As a result of our commitment to sell, we recognized a \$143 million long-lived assets impairment loss and a \$121 million goodwill impairment loss. Of the \$121 million goodwill impairment, \$95 million pertained to goodwill attributable to our divested land drilling and workover rig operations in Russia. See "Note 7 – Goodwill" regarding the impact of the 2014 goodwill impairment.

## **3. Restructuring Charges**

In the fourth quarter of 2014, in response to the significant decline in the price of crude oil and our anticipation of a lower level of exploration and production spending in 2015, we initiated a plan to reduce our overall costs and workforce to better align with anticipated activity levels. This cost reduction plan (the "2015 Plan") included a workforce reduction and other cost reduction measures initiated across our geographic regions. In connection with the 2015 Plan, we recognized restructuring charges of \$69 million and \$110 million in the three and six months ended June 30, 2015, respectively. For the three and six months ended June 30, 2015, our restructuring charges include termination (severance) benefits of \$19 million and \$59 million, respectively, and other restructuring charges of \$50 million and \$51 million, respectively. Other restructuring charges for both the three and six months ended June 30, 2015 includes asset write-offs of \$23 million related to Yemen due to the political disruption and \$22 million in other regions. Other restructuring charges also include exit charges, contract termination costs, relocation and other associated costs.

In the first quarter of 2014, we announced a cost reduction plan (the "2014 Plan"), which included a worldwide workforce reduction and other cost reduction measures. The 2014 Plan resulted in restructuring charges of \$32 million and \$98 million related to termination (severance) benefits in the three and six months ended June 30, 2014, respectively. As of December 31, 2014, we completed our planned headcount reductions and closures of underperforming operating locations in connection with the 2014 Plan.

The following tables present the components of the 2015 Plan and the 2014 Plan restructuring charges by segment for the three and six months ended June 30, 2015 and 2014.



				<b>Three Months Ended June 30, 2015</b>		
				<b>Severance</b>	<b>Other</b>	<b>Total</b>
				<b>Charges</b>	<b>Restructuring</b>	<b>Severance and</b>
				<b>Charges</b>	<b>Charges</b>	<b>Other Charges</b>
<i>(Dollars in millions)</i>						
<b>2015 Plan</b>						
North America	\$	4	\$	17	\$	21
MENA/Asia Pacific		6		23		29
Europe/SSA/Russia		5		9		14
Latin America		3		1		4
Subtotal		18		50		68
Land Drilling Rigs		1		—		1
Corporate and Research and Development		—		—		—
Total	\$	19	\$	50	\$	69

				<b>Three Months Ended June 30, 2014</b>		
				<b>Severance</b>	<b>Other</b>	<b>Total</b>
				<b>Charges</b>	<b>Restructuring</b>	<b>Severance and</b>
				<b>Charges</b>	<b>Charges</b>	<b>Other Charges</b>
<i>(Dollars in millions)</i>						
<b>2014 Plan</b>						
North America	\$	4	\$	15	\$	19
MENA/Asia Pacific		6		7		13
Europe/SSA/Russia		6		2		8
Latin America		3		1		4
Subtotal		19		25		44
Land Drilling Rigs		1		—		1
Corporate and Research and Development		12		2		14
Total	\$	32	\$	27	\$	59

				<b>Six Months Ended June 30, 2015</b>		
				<b>Severance</b>	<b>Other</b>	<b>Total</b>
				<b>Charges</b>	<b>Restructuring</b>	<b>Severance and</b>
				<b>Charges</b>	<b>Charges</b>	<b>Other Charges</b>
<i>(Dollars in millions)</i>						
<b>2015 Plan</b>						
North America	\$	12	\$	17	\$	29
MENA/Asia Pacific		11		24		35
Europe/SSA/Russia		12		9		21
Latin America		15		1		16
Subtotal		50		51		101
Land Drilling Rigs		6		—		6
Corporate and Research and Development		3		—		3
Total	\$	59	\$	51	\$	110

<i>(Dollars in millions)</i>	Six Months Ended June 30, 2014		
	Severance Charges	Other Restructuring Charges	Total Severance and Other Charges
<b>2014 Plan</b>			
North America	\$ 13	\$ 15	\$ 28
MENA/Asia Pacific	10	7	17
Europe/SSA/Russia	21	6	27
Latin America	22	1	23
Subtotal	66	29	95
Land Drilling Rigs	4	—	4
Corporate and Research and Development	28	2	30
Total	\$ 98	\$ 31	\$ 129

The severance and other restructuring charges gave rise to certain liabilities, the components of which are summarized below, and largely relate to the severance accrued as part of both plans that will be paid pursuant to the respective arrangements and statutory requirements.

<i>(Dollars in millions)</i>	At June 30, 2015				
	2015 Plan		2014 Plan		Total Severance and Other Restructuring Liability
	Severance Liability	Other Restructuring Liability	Severance Liability	Other Restructuring Liability	
North America	\$ 6	\$ 4	\$ —	\$ —	\$ 10
MENA/Asia Pacific	5	—	1	5	11
Europe/SSA/Russia	5	3	—	2	10
Latin America	1	—	—	—	1
Subtotal	17	7	1	7	32
Land Drilling Rigs	—	—	—	—	—
Corporate and Research and Development	—	—	5	—	5
Total	\$ 17	\$ 7	\$ 6	\$ 7	\$ 37

The following table presents the restructuring liability activity for the six months ended June 30, 2015.

<i>(Dollars in millions)</i>	Six Months Ended June 30, 2015				Accrued Balance at June 30, 2015
	Accrued Balance at December 31, 2014	Charges	Cash Payments	Other	
<b>2015 Plan:</b>					
Severance liability	\$ 53	\$ 59	\$ (93)	\$ (2)	\$ 17
Other restructuring liability	—	6	(2)	3	7
<b>2014 Plan:</b>					
Severance liability	14	—	(6)	(2)	6
Other restructuring liability	12	—	(3)	(2)	7
Total severance and other restructuring liability	\$ 79	\$ 65	\$ (104)	\$ (3)	\$ 37

#### 4. Percentage-of-Completion Contracts

In the three and six months ended June 30, 2015, we recognized estimated project losses of \$69 million and \$27 million, respectively, related to our long-term early production facility construction contract in Iraq accounted for under the percentage-of-completion method. Total estimated losses on these projects were \$406 million at June 30, 2015.

As of June 30, 2015, our percentage-of-completion project estimates include \$137 million of claims revenue and \$21 million of back charges. Our costs in excess of billings as of June 30, 2015 were \$129 million and are included in the “Other Current Assets” line on the balance sheet. We also have a variety of unapproved contract change orders or claims that are not included in our revenues as of June 30, 2015. The amounts associated with these contract change orders or claims are included in revenue only when they can be estimated reliably and their realization is reasonably assured.

In the three and six months ended June 30, 2014, we recognized estimated project losses of \$2 million and \$28 million, respectively. Total estimated losses on these projects were \$335 million at June 30, 2014. As of June 30, 2014, our percentage-of-completion project estimates include \$21 million of claims revenue. No claims revenue was recognized during the three months ended June 30, 2014 and \$28 million of claims revenue was recognized during the six months ended June 30, 2014.

#### 5. Inventories, Net

Inventories, net of reserves, by category were as follows:

<i>(Dollars in millions)</i>	<b>June 30, 2015</b>	<b>December 31, 2014</b>
Raw materials, components and supplies	\$ 170	\$ 194
Work in process	102	135
Finished goods	2,649	2,758
	<u>\$ 2,921</u>	<u>\$ 3,087</u>

#### 6. Long-lived Asset Impairments

In the second quarter of 2015, the continued weakness in crude oil prices contributed to lower exploration and production spending and a decline in the utilization of our pressure pumping assets. The continued weakness in oil prices and its impact on demand represent a significant adverse change in the business climate and an indication that these long-lived assets may not be recoverable. Based on these impairment indicators, we performed an analysis of our pressure pumping assets and recorded long-lived asset impairment charges of \$124 million to adjust the assets to fair value in our North America Segment. See “Note 9 – Fair Value of Financial Instruments” for additional information regarding the fair value determination.

We prepared an analysis to determine the fair value of our equity investments in less than majority owned entities. Upon completion of this valuation, we determined that the fair value attributable to an equity investment was significantly below its carrying value. We assessed this decline in value as other than temporary and recognized an impairment loss of \$20 million during the second quarter of 2015. See “Note 9 – Fair Value of Financial Instruments” for additional information regarding the fair value determination.

In July 2014, we completed the sale of our rig operations in Russia and Venezuela. We expected the sale would significantly impact the revenues and results of our Russia operations. We considered the associated circumstances and determined that the fair values of our Russia and Latin America rig operations were below their carrying amounts. As a result of our commitment to sell, we recorded a \$143 million long-lived assets impairment charge.

## 7. Goodwill

We perform an impairment test for goodwill and indefinite-lived intangible assets annually as of October 1, or more frequently if indicators of potential impairment exist. Due to the change in our reporting segments (See “Note 15 – Segment Information”), we now report Land Drilling Rigs as a segment. The goodwill associated with the Land Drilling Rigs reporting unit was previously impaired in 2014. We recognized a goodwill impairment loss of \$121 million in 2014 associated with the sale of our land drilling and workover rig operations in Russia and Venezuela.

The changes in the carrying amount of goodwill by reportable segment for the six months ended June 30, 2015 were as follows:

<i>(Dollars in millions)</i>	<b>North America</b>	<b>MENA/ Asia Pacific</b>	<b>Europe/ SSA/ Russia</b>	<b>Latin America</b>	<b>Land Drilling Rigs</b>	<b>Total</b>
Balance at December 31, 2014	\$ 1,896	\$ 195	\$ 623	\$ 297	\$ —	\$ 3,011
Foreign currency translation adjustments	(55)	(3)	(3)	(5)	—	(66)
Balance at June 30, 2015	<u>\$ 1,841</u>	<u>\$ 192</u>	<u>\$ 620</u>	<u>\$ 292</u>	<u>\$ —</u>	<u>\$ 2,945</u>

## 8. Short-term Borrowings and Current Portion of Long-term Debt

<i>(Dollars in millions)</i>	<b>June 30, 2015</b>	<b>December 31, 2014</b>
Commercial paper program	\$ 198	\$ 245
Revolving credit agreement	730	—
364-day term loan facility	—	175
Other short-term bank loans	220	257
Total short-term borrowings	<u>1,148</u>	<u>677</u>
Current portion of long-term debt	408	50
Short-term borrowings and current portion of long-term debt	<u>\$ 1,556</u>	<u>\$ 727</u>

### ***Revolving Credit Agreement***

We maintain a \$2.25 billion unsecured, revolving credit agreement (the “Credit Agreement”). On June 30, 2015, we entered into an amendment to the Credit Agreement to extend the maturity date to July 13, 2017 and to make certain other changes. The Credit Agreement can be used for a combination of borrowings, support for our \$2.25 billion commercial paper program and issuances of letters of credit. This agreement requires that we maintain a debt-to-total capitalization ratio of less than 60%. We were in compliance with this covenant at June 30, 2015. At June 30, 2015, we had \$1.3 billion available under the Credit Agreement, and there were \$16 million in outstanding letters of credit in addition to the commercial paper and borrowings under the revolving credit facility.

### ***364-Day Term Loan Facility***

On April 9, 2015, the maturity date, we repaid the remaining balance of \$175 million on our \$400 million, 364-day term loan facility.

### ***Other Short-Term Borrowings and Other Debt Activity***

We have short-term borrowings with various domestic and international institutions pursuant to uncommitted credit facilities. At June 30, 2015, we had \$220 million in short-term borrowings under these arrangements, including \$180 million borrowed under a credit agreement entered into in March 2014 that matures on March 20, 2016 (with respect to \$150 million) and June 20, 2016 (with respect to the remaining \$30 million), with a LIBOR-based weighted average interest rate of 1.73% as of June 30, 2015. In addition, we had \$549 million of letters of credit under various uncommitted facilities and \$278 million of surety bonds, primarily performance bonds, issued by financial sureties against an indemnification from us at June 30, 2015.

The current portion of long-term debt at June 30, 2015 is primarily related to our 5.5% senior notes maturing February 2016 and our capital leases.

In the first three months of 2015, through a series of open market transactions, we repurchased certain of our 4.5% senior notes, 5.95% senior notes, 6.5% senior notes and 6.75% senior notes with a total book value of \$160 million. We recognized a cumulative gain of approximately \$12 million on these transactions. No repurchases were made during the second quarter of 2015.

## 9. Fair Value of Financial Instruments, Assets and Equity Investments

### *Financial Instruments Measured and Recognized at Fair Value*

We estimate fair value at a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market for the asset or liability. Other than the derivative instruments discussed in “Note 10 – Derivative Instruments,” we had no other material assets or liabilities measured and recognized at fair value on a recurring basis at June 30, 2015 and December 31, 2014.

### *Fair Value of Other Financial Instruments*

Our other financial instruments include short-term borrowings and long-term debt. The carrying value of our commercial paper and other short-term borrowings approximates their fair value due to the short-term duration of the associated interest rate periods. These short-term borrowings are classified as Level 2 in the fair value hierarchy.

The fair value of our long-term debt fluctuates with changes in applicable interest rates among other factors. Fair value will exceed carrying value when the current market interest rate is lower than the interest rate at which the debt was originally issued. The fair value of our long-term debt is classified as Level 2 in the fair value hierarchy and is established based on observable inputs in less active markets.

The fair value and carrying value of our senior notes were as follows:

<i>(Dollars in millions)</i>	<b>June 30, 2015</b>	<b>December 31, 2014</b>
Fair value	\$ 6,642	\$ 6,733
Carrying value	6,497	6,660

### *Non-recurring Fair Value Measurements*

During the second quarter of 2015, long-lived pressure pumping assets and an equity investment were impaired and written down to their estimated fair values. The level 3 fair value of the long-lived assets was determined using a combination of the cost approach and the market approach, which used inputs that included replacement costs (unobservable), physical deterioration estimates (unobservable), and market sales data for comparable assets. The equity investment level 3 fair value was determined using an income based approach utilizing estimates of future cash flow, discount rate, long-term growth rate, and marketability discount, all of which were unobservable.

During the second quarter of 2014, long-lived assets in the rig operations in Russia and Venezuela and goodwill for the Russia reporting unit were impaired and written down to their estimated fair values. The level 3 fair value of the long-lived assets in the rig operations was determined using the market approach that considered the estimated sales price of those businesses. The goodwill level 3 fair value was determined using a combination of the income and market approaches with observable inputs that consisted of earnings multiples and unobservable inputs that included estimates of future cash flows, discount rate, long-term growth rate, and control premiums.

## 10. Derivative Instruments

We are exposed to market risk from changes in foreign currency and changes in interest rates. From time to time, we may enter into derivative financial instrument transactions to manage or reduce our market risk. We manage our debt portfolio to achieve an overall desired position of fixed and floating rates, and we may employ interest rate swaps as a tool to achieve that goal. The major risks from interest rate derivatives include changes in the interest rates affecting the fair value of such instruments, potential increases in interest expense due to market increases in floating interest rates and the creditworthiness of the counterparties in such transactions. In light of events in the global credit markets and the potential impact of these events on the liquidity of the banking industry, we continue to monitor the creditworthiness of our counterparties, which are multinational commercial banks. The fair values of all our outstanding derivative instruments are determined using a model with Level 2 inputs including quoted market prices for contracts with similar terms and maturity dates. Level 2 values for financial assets and liabilities are based on quoted prices in inactive markets, or whose values are based on models using observable inputs other than quoted prices. Level 2 inputs to those models are observable either directly or indirectly for substantially the full term of the asset or liability.

### *Fair Value Hedges*

We may use interest rate swaps to help mitigate exposures related to changes in the fair values of the associated debt. Amounts paid or received upon termination of interest rate swaps accounted for as fair value hedges represent the fair value of the agreements at the time of termination and are amortized as a reduction, in the case of gains, or as an increase, in the case of losses, of interest expense over the remaining term of the debt. As of June 30, 2015, we had net unamortized gains of \$28 million associated with interest rate swap terminations. These gains are being amortized over the remaining term of the originally hedged debt as a reduction in interest expense.

### *Other Derivative Instruments*

We enter into foreign currency forward contracts and cross-currency swap contracts to hedge our exposure to fluctuations in various foreign currencies. At June 30, 2015 and December 31, 2014, we had outstanding foreign currency forward contracts with notional amounts aggregating \$1.4 billion and \$1.6 billion, respectively. The notional amounts of our foreign currency forward contracts do not generally represent amounts exchanged by the parties and thus are not a measure of the cash requirements related to these contracts or of any possible loss exposure. The amounts actually exchanged at maturity are calculated by reference to the notional amounts and by other terms of the derivative contracts, such as exchange rates.

At December 31, 2014, to hedge our exposure to the Canadian dollar, we held cross-currency swaps between the U.S. dollar and the Canadian dollar with a notional amount of \$168 million. We settled the cross-currency swap arrangements in the three months ended March 31, 2015 after recognizing a mark-to-market gain of \$13 million in the first quarter of 2015. We collected \$8 million in proceeds upon settlement.

Our foreign currency forward contracts and cross-currency swaps were not designated as hedges, and the changes in fair value of the contracts are recorded each period in current earnings in the line captioned "Other, Net" on the accompanying Condensed Consolidated Statements of Operations.

The total estimated fair values of these foreign currency forward contracts and amounts receivable or owed associated with closed foreign currency contracts and the total estimated fair values of our cross-currency contracts are as follows:

<i>(Dollars in millions)</i>	<b>June 30, 2015</b>	<b>December 31, 2014</b>	<b>Classification</b>
<b>Derivative assets not designated as hedges:</b>			
Foreign currency forward contracts	\$ 10	\$ 12	<i>Other Current Assets</i>
<b>Derivative liabilities not designated as hedges:</b>			
Foreign currency forward contracts	(11)	(17)	<i>Other Current Liabilities</i>
Cross-currency swap contracts	—	(5)	<i>Other Liabilities</i>

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The effect of derivative instruments designated as fair value hedges and those not designated as hedges on the Condensed Consolidated Statements of Operations was as follows:

<i>(Dollars in millions)</i>	<b>Gain (Loss) Recognized in Income</b>				<b>Classification</b>
	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>		
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	
Interest rate swaps	\$ 3	\$ 2	\$ 5	\$ 4	<i>Interest Expense, Net</i>
<b>Derivatives not designated as hedges:</b>					
Foreign currency forward contracts	10	4	(56)	(7)	<i>Other, Net</i>
Cross-currency swap contracts	—	(8)	13	1	<i>Other, Net</i>

## 11. Income Taxes

We estimate our annual effective tax rate based on year-to-date operating results and our forecast of operating results for the remainder of the year, by jurisdiction, and apply this rate to the year-to-date operating results. If our actual results, by jurisdiction, differ from the forecasted operating results, our effective tax rate can change, affecting the tax expense for both successive interim results as well as the annual tax results. For both the three and six months ended June 30, 2015, we had a \$132 million tax benefit on a loss before income taxes of \$615 million and \$722 million, respectively. Our results for the three months ended June 30, 2015 includes \$112 million of litigation settlements, \$69 million of project losses, \$16 million of devaluation of the Angolan kwanza currency, \$20 million of equity investment impairment and \$69 million of restructuring charges with no significant tax benefit. Our results for the six months ended June 30, 2015 includes \$112 million of litigation settlements, \$27 million of project losses, \$42 million of currency devaluation, \$20 million of equity investment impairment and \$110 million of restructuring charges with no significant tax benefit.

We are continuously under tax examination in various jurisdictions. We cannot predict the timing or outcome regarding resolution of these tax examinations or if they will have a material impact on our financial statements. We continue to anticipate a possible reduction in the balance of uncertain tax positions by approximately \$19 million in the next twelve months due to expiration of statutes of limitations, settlements and/or conclusions of tax examinations.

For the three and six months ended June 30, 2014, we had a tax provision of \$11 million and \$38 million on a loss before income taxes of \$122 million and \$127 million, respectively. Our results for the three and six months ended June 30, 2014 include a \$143 million impairment loss (\$121 million, net of tax) to record the land drilling and workover rig operations in Russia and Venezuela at fair value. We also recorded a \$125 million non-cash impairment charge to goodwill based on our analysis triggered by the planned sale of our land drilling and workover rig operations in Russia and Venezuela, which was non-deductible for income tax purposes. Our results for the six months ended June 30, 2014 were also impacted by discrete income before tax items, including restructuring charges and project losses of approximately \$177 million, with no significant tax benefit.

## 12. Shareholders' Equity

The following summarizes our shareholders' equity activity for the six months ended June 30, 2015 and 2014:

<i>(Dollars in millions)</i>	Par Value of Issued Shares	Capital In Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Shares	Non- controlling Interests	Total Shareholders' Equity
<b>Balance at December 31, 2013</b>	\$ 775	\$ 4,600	\$ 3,011	\$ (187)	\$ (37)	\$ 41	\$ 8,203
Net Income (Loss)	—	—	(186)	—	—	21	(165)
Other Comprehensive Loss	—	—	—	(36)	—	—	(36)
Consolidation of Joint Venture	—	—	—	—	—	26	26
Dividends Paid to Noncontrolling Interests	—	—	—	—	—	(15)	(15)
Change in Common Shares, Treasury Shares and Paid in Capital Associated with Redomestication	(778)	750	—	—	39	—	11
Equity Awards Granted, Vested and Exercised	4	24	—	—	(2)	—	26
<b>Balance at June 30, 2014</b>	<u>\$ 1</u>	<u>\$ 5,374</u>	<u>\$ 2,825</u>	<u>\$ (223)</u>	<u>\$ —</u>	<u>\$ 73</u>	<u>\$ 8,050</u>
<b>Balance at December 31, 2014</b>	\$ 1	\$ 5,411	\$ 2,427	\$ (881)	\$ —	\$ 75	\$ 7,033
Net Income (Loss)	—	—	(607)	—	—	17	(590)
Other Comprehensive Loss	—	—	—	(209)	—	—	(209)
Dividends Paid to Noncontrolling Interests	—	—	—	—	—	(18)	(18)
Equity Awards Granted, Vested and Exercised	—	30	—	—	—	—	30
Other	—	—	—	—	—	1	1
<b>Balance at June 30, 2015</b>	<u>\$ 1</u>	<u>\$ 5,441</u>	<u>\$ 1,820</u>	<u>\$ (1,090)</u>	<u>\$ —</u>	<u>\$ 75</u>	<u>\$ 6,247</u>

The following table presents the changes in our accumulated other comprehensive income (loss) by component for the six months ended June 30, 2015 and 2014:

<i>(Dollars in millions)</i>	Currency Translation Adjustment	Defined Benefit Pension	Deferred Loss on Derivatives	Total
<b>Balance at December 31, 2013</b>	\$ (140)	\$ (38)	\$ (9)	\$ (187)
Other comprehensive loss	(36)	—	—	(36)
<b>Balance at June 30, 2014</b>	<u>\$ (176)</u>	<u>\$ (38)</u>	<u>\$ (9)</u>	<u>\$ (223)</u>
<b>Balance at December 31, 2014</b>	\$ (813)	\$ (57)	\$ (11)	\$ (881)
Other comprehensive income (loss) before reclassifications	(230)	20	—	(210)
Reclassifications	—	1	—	1
Net activity	(230)	21	—	(209)
<b>Balance at June 30, 2015</b>	<u>\$ (1,043)</u>	<u>\$ (36)</u>	<u>\$ (11)</u>	<u>\$ (1,090)</u>

The other comprehensive income before reclassifications from the defined benefit pension component of other comprehensive income relates to the conversion of one of our international pension plans from a defined benefit plan to a defined contribution plan.



### 13. Earnings per Share

Basic earnings per share for all periods presented equals net income divided by the weighted average number of our shares outstanding during the period including participating securities. Diluted earnings per share is computed by dividing net income by the weighted average number of our shares outstanding during the period including participating securities, adjusted for the dilutive effect of our stock options, restricted shares and performance units.

The following discloses basic and diluted weighted average shares outstanding:

<i>(Shares in millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Basic and diluted weighted average shares outstanding	778	777	778	776

Our basic and diluted weighted average shares outstanding for the periods presented are equivalent due to the net loss attributable to shareholders. Diluted weighted average shares outstanding for the three and six months ended June 30, 2015 and 2014 exclude potential shares for stock options, restricted shares and performance units outstanding as we have net losses for that period and their inclusion would be anti-dilutive.

The following table discloses the number of anti-dilutive shares excluded:

<i>(Shares in millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Anti-dilutive potential shares due to net loss	3	5	3	5

### 14. Share-Based Compensation

We recognized the following employee share-based compensation expense during the three and six months ended June 30, 2015 and 2014:

<i>(Dollars in millions)</i>	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Share-based compensation	\$ 19	\$ 16	\$ 34	\$ 31
Related tax benefit	4	3	7	6

During the six months ended June 30, 2015, we granted approximately 1.6 million performance units, which will vest with continued employment, if the Company meets certain market-based performance goals. The performance units have a weighted average grant date fair value of \$10.45 per share based on the Monte Carlo simulation method. The assumptions used in the Monte Carlo simulation included a risk-free rate of 0.51%, volatility of 46.1% and a zero dividend yield. As of June 30, 2015, there was \$20 million of unrecognized compensation related to our performance units. This cost is expected to be recognized over a weighted average period of 2 years.

During the six months ended June 30, 2015, we also granted 6.3 million restricted shares at a weighted average grant date fair value of \$12.90 per share. As of June 30, 2015, there was \$120 million of unrecognized compensation related to our unvested restricted share grants. This cost is expected to be recognized over a weighted average period of 2 years.

## 15. Segment Information

In the first quarter of 2015, we changed our business structure to better align with management’s current view and future growth objectives. This involved separating our Land Drilling Rigs business into a reportable segment resulting in a total of five reportable segments which are North America, MENA/Asia Pacific, Europe/SSA/Russia, Latin America and Land Drilling Rigs. The operational performance of our segments is reviewed and managed primarily on a geographic basis, and we report the regional segments as separate, distinct reporting segments. In addition, the operations we intend to divest, in the case of our Land Drilling Rigs business, is reviewed and managed apart from our regional segments. Our corporate and other expenses that do not individually meet the criteria for segment reporting continue to be reported separately as Corporate and Research and Development. Each business reflects a reportable segment led by separate business segment management that reports directly or indirectly to our chief operating decision maker (“CODM”). Our CODM assesses performance and allocates resources on the basis of the five reportable segments. We have revised our business segment reporting to reflect our current management approach and recast prior periods to conform to the current business segment presentation.

Financial information by segment is summarized below. Revenues are attributable to countries based on the ultimate destination of the sale of products or performance of services. The accounting policies of the segments are the same as those described in the summary of significant accounting policies as presented in our Form 10-K.

	<b>Three Months Ended June 30, 2015</b>		
	<b>Net Operating Revenues</b>	<b>Income from Operations</b>	<b>Depreciation and Amortization</b>
<i>(Dollars in millions)</i>			
North America	\$ 808	\$ (92)	\$ 97
MENA/Asia Pacific	516	(17)	66
Europe/SSA/Russia	418	65	53
Latin America	463	76	62
Subtotal	2,205	32	278
Land Drilling Rigs	185	4	27
	2,390	36	305
Corporate and Research and Development		(105)	6
Long-Lived Assets Impairment and Other Related Charges <sup>(a)</sup>		(181)	
Equity Investment Impairment		(20)	
Restructuring Charges <sup>(b)</sup>		(69)	
Litigation Charges		(112)	
Loss on Sale of Businesses, Net		(5)	
Other Items <sup>(c)</sup>		(8)	
<b>Total</b>	<b>\$ 2,390</b>	<b>\$ (464)</b>	<b>\$ 311</b>

(a) For the three months ended June 30, 2015 includes asset impairment charges of \$124 million, pressure pumping business related charges of \$37 million and supply agreement charges related to a non-core business divestiture of \$20 million.

(b) For the three months ended June 30, 2015, we recognized restructuring charges of \$69 million: \$21 million in North America, \$29 million in MENA/Asia Pacific, \$14 million in Europe/SSA/Russia, \$4 million in Latin America, and \$1 million in Land Drilling Rigs.

(c) The three months ended June 30, 2015 includes professional fees of \$3 million related to the divestiture of non-core businesses, facility closure fees of \$3 million, restatement related litigation, post-settlement monitor and auditor expenses and other charges of \$2 million.

Certain leased equipment of our Land Drilling Rigs and North America pressure pumping business includes contractual residual value guarantees at June 30, 2015. We maintain a liability of \$80 million related to these guarantees, of which \$46 million is recorded as “Other Current Liabilities” and \$34 million as “Other Non-Current Liabilities” on our Condensed Consolidated Balance Sheets. Certain of our supply agreements contain minimum purchase commitments and we maintain a liability at June 30, 2015, of \$63 million, of which \$50 million is recorded as “Other Current Liabilities” and \$13 million as “Other Non-Current Liabilities” on our Condensed Consolidated Balance Sheets.

**Three Months Ended June 30, 2014**

<i>(Dollars in millions)</i>	Net Operating Revenues	Income from Operations	Depreciation and Amortization
North America	\$ 1,659	\$ 244	\$ 107
MENA/Asia Pacific	579	61	71
Europe/SSA/Russia	561	105	57
Latin America	518	76	61
Subtotal	3,317	486	296
Land Drilling Rigs	394	4	54
	3,711	490	350
Corporate and Research and Development		(120)	5
Long-Lived Assets Impairment		(143)	
Goodwill Impairment		(125)	
Restructuring Charges <sup>(d)</sup>		(59)	
Other Items <sup>(e)</sup>		(18)	
<b>Total</b>	<b>\$ 3,711</b>	<b>\$ 25</b>	<b>\$ 355</b>

(d) For the three months ended June 30, 2014, we recognized restructuring charges of \$59 million: \$19 million in North America, \$13 million in MENA/Asia Pacific, \$8 million in Europe/SSA/Russia, \$4 million in Latin America, \$1 million in Land Drilling Rigs and \$14 million in Corporate and Research and Development.

(e) The three months ended June 30, 2014 includes professional fees related to the divestiture of our non-core businesses, restatement related litigation, the settlement of the U.S. government investigations and our redomestication from Switzerland to Ireland.

**Six Months Ended June 30, 2015**

<i>(Dollars in millions)</i>	Net Operating Revenues	Income from Operations	Depreciation and Amortization
North America	\$ 1,971	\$ (102)	\$ 202
MENA/Asia Pacific	1,049	43	131
Europe/SSA/Russia	835	136	103
Latin America	949	174	123
Subtotal	4,804	251	559
Land Drilling Rigs	380	14	56
	5,184	265	615
Corporate and Research and Development		(225)	12
Long-Lived Assets Impairment and Other Related Charges <sup>(a)</sup>		(191)	
Equity Investment Impairment		(20)	
Restructuring Charges <sup>(b)</sup>		(110)	
Litigation Charges		(112)	
Loss on Sale of Businesses, Net		(2)	
Other Items <sup>(c)</sup>		(19)	
<b>Total</b>	<b>\$ 5,184</b>	<b>\$ (414)</b>	<b>\$ 627</b>

(a) The six months ended June 30, 2015 includes asset impairment charges of \$124 million, pressure pumping business related charges of \$37 million and supply agreement charges related to a non-core business divestiture of \$30 million.

(b) For the six months ended June 30, 2015, we recognized restructuring charges of \$110 million: \$29 million in North America, \$35 million in MENA/Asia Pacific, \$21 million in Europe/SSA/Russia, \$16 million in Latin America, \$6 million in Land Drilling Rigs and \$3 million in Corporate and Research and Development.

(c) The six months ended June 30, 2015 includes professional fees of \$5 million related to the divestiture of our non-core businesses, facility closure fees of \$3 million, restatement related litigation, post-settlement monitor and auditor expenses and other charges of \$11 million.

**Six Months Ended June 30, 2014**

<i>(Dollars in millions)</i>	<b>Net Operating Revenues</b>	<b>Income from Operations</b>	<b>Depreciation and Amortization</b>
North America	\$ 3,269	\$ 440	\$ 214
MENA/Asia Pacific	1,198	66	143
Europe/SSA/Russia	1,077	183	111
Latin America	1,027	166	119
Subtotal	6,571	855	587
Land Drilling Rigs	736	(23)	108
	7,307	832	695
Corporate and Research and Development		(236)	11
Long-Lived Assets Impairment		(143)	
Goodwill Impairment		(125)	
Restructuring Charges <sup>(d)</sup>		(129)	
Other Items <sup>(e)</sup>		(44)	
<b>Total</b>	<b>\$ 7,307</b>	<b>\$ 155</b>	<b>\$ 706</b>

(d) For the six months ended June 30, 2014, we recognized restructuring charges of \$129 million: \$28 million in North America, \$17 million in MENA/Asia Pacific, \$27 million in Europe/SSA/Russia, \$23 million in Latin America, \$4 million in Land Drilling Rigs and \$30 million in Corporate and Research and Development.

(e) The six months ended June 30, 2014 included professional fees of \$40 million related to the divestiture of our non-core businesses, restatement related litigation, the settlement of the U.S. government investigations, the remediation of our material weakness related to income taxes and our recently completed redomestication from Switzerland to Ireland and other charges of \$4 million.

**16. Disputes, Litigation and Contingencies**
***Shareholder Litigation***

In 2010, three shareholder derivative actions were filed, purportedly on behalf of the Company, asserting breach of duty and other claims against certain current and former officers and directors of the Company related to the United Nations oil-for-food program governing sales of goods into Iraq, the FCPA and trade sanctions related to the U.S. government investigations disclosed above and in our U.S. Securities and Exchange Commission (the "SEC") filings since 2007. Those shareholder derivative cases, captioned *Neff v. Brady, et al.*, No. 201040764, *Rosner v. Brady, et al.*, No. 201047343, and *Hess v. Duroc-Danner, et al.*, No. 201040765, were filed in Harris County, Texas state court and consolidated (collectively referred to as the "Neff Case"). In 2014, one of the three cases, *Hess v. Duroc-Danner, et al.*, No. 201040765, was voluntarily dismissed from the Neff Case. Other shareholder demand letters covering the same subject matter were received by the Company in early 2014, and a fourth shareholder derivative action was filed, purportedly on behalf of the Company, also asserting breach of duty and other claims against certain current and former officers and directors of the Company related to the same subject matter as the Neff Case. That case, captioned *Erste-Sparinvest KAG v. Duroc-Danner, et al.*, No. 201420933 (Harris County, Texas) was consolidated into the Neff Case in September 2014. A motion to dismiss was granted May 15, 2015 and an appeal was filed on June 15, 2015.

We cannot reliably predict the outcome of these cases including the amount of any possible loss. If one or more negative outcomes were to occur relative to these cases, the aggregate impact to our financial condition could be material.

In March 2012, a purported securities class action captioned *Freedman v. Weatherford International Ltd., et al.*, No. 1:12-cv-02121-LAK (SDNY) was filed in the Southern District of New York against us and certain current and former officers. That case alleges violation of the federal securities laws related to the restatement of our historical financial statements announced on February 21, 2012, and later added claims related to the announcement of a subsequent restatement on July 24, 2012. In the three months ended December 31, 2014, we advanced settlement negotiations such that settlement was deemed probable, and we maintained an accrual of the estimated probable loss. As a result of ongoing negotiations in the second quarter of 2015, a settlement agreement was reached on June 30, 2015, subject to notice to the class, approval by the U.S. District Court for the Southern District of New York and other conditions. The settlement agreement requires payments totaling \$120 million in exchange for the dismissal with prejudice of the litigation and the unconditional release of all claims, of which \$95 million was accrued during the second quarter of 2015.

In March 2011, a shareholder derivative action, *Iron Workers Mid-South Pension Fund v. Duroc-Danner, et al.*, No. 201119822, was filed in Harris County, Texas, civil court purportedly on behalf of the Company against certain current and former officers and directors, alleging breaches of duty related to the material weakness and restatement announcements. In February 2012, a second substantially similar shareholder derivative action, *Wandel v. Duroc-Danner, et al.*, No. 1:12-cv-01305-LAK (SDNY), was filed in federal court in the Southern District of New York. In June 2014, the parties signed a term sheet resolving the action for an agreed upon set of revised corporate procedures, no monetary payment by the defendants, and an award of attorneys' fees for the plaintiff's counsel. In March 2015, the court approved notice to the class of the proposed settlement and set the final hearing for June 24, 2015. On June 24, 2015, the court approved the settlement. We maintain an immaterial accrual for the attorney's fees included in the settlement, which was subsequently paid in July 2015.

In March 2011, a purported shareholder class action captioned *Dobina v. Weatherford International Ltd., et al.*, No. 1:11-cv-01646-LAK (SDNY), was filed in the U.S. District Court for the Southern District of New York, following our announcement on March 1, 2011 of a material weakness in our internal controls over financial reporting for income taxes, and restatement of our historical financial statements (the "2011 Class Action"). The lawsuit alleged violation of the federal securities laws by us and certain current and former officers. During the three months ended December 31, 2013, we entered into negotiations to settle the 2011 Class Action. As a result of these negotiations, settlement became probable and a settlement agreement was signed on January 29, 2014. The settlement was approved by the U.S. District Court for the Southern District of New York on January 5, 2015, and final judgment entered on January 30, 2015. The settlement agreement required payments totaling \$53 million which was entirely funded by our insurers.

### ***U.S. Government and Internal Investigations***

On January 17, 2014, the U.S. District Court for the Southern District of Texas approved the settlement agreements between us and certain of our subsidiaries and the U.S. Department of Justice ("DOJ"). On November 26, 2013, we announced that we and our subsidiaries also entered into settlement agreements with the U.S. Departments of Treasury and Commerce and with the SEC, which the U.S. District Court for the Southern District of Texas entered on December 20, 2013. These agreements collectively resolved investigations of prior alleged violations by us and certain of our subsidiaries relating to certain trade sanctions laws, participation in the United Nations oil-for-food program governing sales of goods into Iraq and non-compliance with FCPA matters.

The \$253 million payable by us and our subsidiaries was paid in January and February 2014 pursuant to the terms of the settlement agreements. These agreements include a requirement to retain, for a period of at least 18 months, an independent monitor responsible for assessing our compliance with the terms of the agreement so as to address and reduce the risk of recurrence of alleged misconduct, after which we would continue to evaluate our own compliance program and make periodic reports to the DOJ and SEC and maintain agreed compliance monitoring and reporting systems. In April 2014, the independent monitor was retained and the compliance assessment period began. These agreements also require us to retain an independent third party to retroactively audit our compliance with U.S. export control laws during the years 2012, 2013 and 2014. This audit is on-going.

The SEC and DOJ are also investigating the circumstances surrounding the material weakness in our internal controls over financial reporting for income taxes that was disclosed in a notification of late filing on Form 12b-25 filed on March 1, 2011 and in current reports on Form 8-K filed on February 21, 2012 and on July 24, 2012 and the subsequent restatements of our historical financial statements. We are cooperating fully with these investigations. We are unable to predict the outcome of these matters due to the inherent uncertainties presented by such investigations, and we are unable to predict potential outcomes or estimate the range of potential loss contingencies, if any. The government, generally, has a broad range of civil and criminal penalties available for these types of matters under applicable law and regulation, including injunctive relief, fines, penalties and modifications to business practices, some of which, if imposed on us, could be material to our business, financial condition or results of operations.

Additionally, we are aware of various disputes and potential claims and are a party in various litigation involving claims against us, some of which are covered by insurance. For claims, disputes and pending litigation in which we believe a negative outcome is probable and a loss can be reasonably estimated, we have recorded a liability for the expected loss. These liabilities are immaterial to our financial condition and results of operations. In addition we have certain claims, disputes and pending litigation which we do not believe a negative outcome is probable or for which we can only estimate a range of liability. It is possible, however, that an unexpected judgment could be rendered against us, or we could decide to resolve a case or cases, that would result in liability that could be uninsured and beyond the amounts we currently have reserved and in some cases those losses could be material. If one or more negative outcomes were to occur relative to these matters, the aggregate impact to our financial condition could be material.

## 17. New Accounting Pronouncements

In July 2015, the Financial Accounting Standards Board (“FASB”) issued new guidance that requires inventory not measured using either the last in, first out (LIFO) or the retail inventory method to be measured at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable cost of completion, disposal, and transportation. The new standard will be effective January 1, 2017 and will be applied prospectively. Early adoption is permitted. We are evaluating the impact that this new guidance will have on our Consolidated Financial Statements and related Note disclosures.

In April 2015, the FASB issued new guidance related to accounting for fees paid in a cloud computing arrangement. The new standard provides guidance to customers about whether a cloud computing arrangement includes a software license. If a cloud computing arrangement includes a software license, then the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. We are evaluating the impact, if any, of adopting this new accounting guidance on our Consolidated Financial Statements and related Note disclosures.

In April 2015, the FASB issued new guidance related to presentation of debt issue costs. The new standard requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. We are currently evaluating the impact this guidance will have on our Consolidated Financial Statements and related Note disclosures.

In February 2015, the FASB issued new guidance related to consolidations. The new standard amends the guidelines for determining whether certain legal entities should be consolidated and reduces the number of consolidation models. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. We are currently evaluating the impact this guidance will have on our Consolidated Financial Statements and related Note disclosures.

In May 2014, the FASB issued new guidance intended to change the criteria for recognition of revenue. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance is effective beginning with the first quarter of 2017 and early adoption is not permitted. In April 2015, the FASB proposed a one year deferral of the effective date of the new revenue standard for public and non-public entities reporting under U.S. GAAP and on July 9, 2015, the FASB approved the one year deferral. The effective date of the amended standard will begin in the first quarter of 2018 and the FASB plans to submit its amendment to defer the effective date by the end of the third quarter 2015. We are currently evaluating the impact the adoption of this guidance would have on our Consolidated Financial Statements and related Note disclosures.

## 18. Condensed Consolidating Financial Statements

Weatherford International plc (“Weatherford Ireland”), a public limited company organized under the laws of Ireland, a Swiss tax resident, and the ultimate parent of the Weatherford group, guarantees the obligations of our subsidiaries – Weatherford International Ltd., a Bermuda exempted company (“Weatherford Bermuda”), and Weatherford International, LLC, a Delaware limited liability company (“Weatherford Delaware”), including the notes and credit facilities listed below.

The following obligations of Weatherford Delaware were guaranteed by Weatherford Bermuda at June 30, 2015 and December 31, 2014: (1) 6.35% senior notes and (2) 6.80% senior notes.

The following obligations of Weatherford Bermuda were guaranteed by Weatherford Delaware at June 30, 2015 and December 31, 2014: (1) revolving credit facility, (2) 5.50% senior notes, (3) 6.50% senior notes, (4) 6.00% senior notes, (5) 7.00% senior notes, (6) 9.625% senior notes, (7) 9.875% senior notes, (8) 5.125% senior notes, (9) 6.75% senior notes, (10) 4.50% senior notes and (11) 5.95% senior notes. At December 31, 2014, we had a 364-day term loan facility which was an obligation of Weatherford Bermuda guaranteed by Weatherford Delaware.

As a result of certain of these guarantee arrangements, we are required to present the following condensed consolidating financial information. The accompanying guarantor financial information is presented on the equity method of accounting for all periods presented. Under this method, investments in subsidiaries are recorded at cost and adjusted for our share in the subsidiaries’ cumulative results of operations, capital contributions and distributions and other changes in equity. Elimination entries relate primarily to the elimination of investments in subsidiaries and associated intercompany balances and transactions.

### Condensed Consolidating Statement of Operations and Comprehensive Income (Loss) Three Months Ended June 30, 2015 (Unaudited)

<i>(Dollars in millions)</i>	Weatherford Ireland	Weatherford Bermuda	Weatherford Delaware	Other Subsidiaries	Eliminations	Consolidation
Revenues	\$ —	\$ —	\$ —	\$ 2,390	\$ —	\$ 2,390
Costs and Expenses	(100)	(4)	—	(2,750)	—	(2,854)
Operating Income (Loss)	(100)	(4)	—	(360)	—	(464)
<b>Other Income (Expense):</b>						
Interest Expense, Net	—	(98)	(15)	(4)	—	(117)
Intercompany Charges, Net	(26)	(28)	(68)	122	—	—
Equity in Subsidiary Income	(363)	366	874	—	(877)	—
Other, Net	—	1	—	(35)	—	(34)
Income (Loss) Before Income Taxes	(489)	237	791	(277)	(877)	(615)
(Provision) Benefit for Income Taxes	—	—	29	103	—	132
Net Income (Loss)	(489)	237	820	(174)	(877)	(483)
Noncontrolling Interests	—	—	—	6	—	6
Net Income (Loss) Attributable to Weatherford	\$ (489)	\$ 237	\$ 820	\$ (180)	\$ (877)	\$ (489)
Comprehensive Income (Loss) Attributable to Weatherford	\$ (375)	\$ 263	\$ 843	\$ (66)	\$ (1,040)	\$ (375)

**Condensed Consolidating Statement of Operations and  
Comprehensive Income (Loss)  
Three Months Ended June 30, 2014  
(Unaudited)**

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
Revenues	\$ —	\$ —	\$ —	\$ 3,711	\$ —	\$ 3,711
Costs and Expenses	(9)	(1)	—	(3,676)	—	(3,686)
Operating Income (Loss)	(9)	(1)	—	35	—	25
<b>Other Income (Expense):</b>						
Interest Expense, Net	—	(106)	(14)	(8)	—	(128)
Intercompany Charges, Net	(12)	(22)	(77)	(1,709)	1,820	—
Equity in Subsidiary Income	(123)	(192)	(175)	—	490	—
Other, Net	—	(11)	(1)	(7)	—	(19)
Income (Loss) Before Income Taxes	(144)	(332)	(267)	(1,689)	2,310	(122)
(Provision) Benefit for Income Taxes	(1)	—	31	(41)	—	(11)
Net Income (Loss)	(145)	(332)	(236)	(1,730)	2,310	(133)
Noncontrolling Interests	—	—	—	12	—	12
Net Income (Loss) Attributable to Weatherford	\$ (145)	\$ (332)	\$ (236)	\$ (1,742)	\$ 2,310	\$ (145)
Comprehensive Income (Loss) Attributable to Weatherford	\$ 21	\$ (182)	\$ (100)	\$ (1,539)	\$ 1,821	\$ 21



**Condensed Consolidating Statement of Operations and  
Comprehensive Income (Loss)  
Six Months Ended June 30, 2015  
(Unaudited)**

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
Revenues	\$ —	\$ —	\$ —	\$ 5,184	\$ —	\$ 5,184
Costs and Expenses	(107)	(4)	—	(5,487)	—	(5,598)
Operating Income (Loss)	(107)	(4)	—	(303)	—	(414)
<b>Other Income (Expense):</b>						
Interest Expense, Net	—	(202)	(28)	(7)	—	(237)
Intercompany Charges, Net	(26)	(43)	(68)	137	—	—
Equity in Subsidiary Income	(474)	441	849	—	(816)	—
Other, Net	—	(19)	—	(52)	—	(71)
Income (Loss) Before Income Taxes	(607)	173	753	(225)	(816)	(722)
(Provision) Benefit for Income Taxes	—	—	34	98	—	132
Net Income (Loss)	(607)	173	787	(127)	(816)	(590)
Noncontrolling Interests	—	—	—	17	—	17
Net Income (Loss) Attributable to Weatherford	\$ (607)	\$ 173	\$ 787	\$ (144)	\$ (816)	\$ (607)
Comprehensive Income (Loss) Attributable to Weatherford	\$ (816)	\$ 107	\$ 774	\$ (352)	\$ (529)	\$ (816)

**Condensed Consolidating Statement of Operations and  
Comprehensive Income (Loss)  
Six Months Ended June 30, 2014  
(Unaudited)**

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
Revenues	\$ —	\$ —	\$ —	\$ 7,307	\$ —	\$ 7,307
Costs and Expenses	(28)	(1)	(1)	(7,122)	—	(7,152)
Operating Income (Loss)	(28)	(1)	(1)	185	—	155
<b>Other Income (Expense):</b>						
Interest Expense, Net	—	(211)	(29)	(14)	—	(254)
Intercompany Charges, Net	(12)	7,326	(77)	(9,057)	1,820	—
Equity in Subsidiary Income	(144)	(112)	(164)	—	420	—
Other, Net	(1)	(15)	(1)	(11)	—	(28)
Income (Loss) Before Income Taxes	(185)	6,987	(272)	(8,897)	2,240	(127)
(Provision) Benefit for Income Taxes	(1)	—	37	(74)	—	(38)
Net Income (Loss)	(186)	6,987	(235)	(8,971)	2,240	(165)
Noncontrolling Interests	—	—	—	21	—	21
Net Income (Loss) Attributable to Weatherford	\$ (186)	\$ 6,987	\$ (235)	\$ (8,992)	\$ 2,240	\$ (186)
Comprehensive Income (Loss) Attributable to Weatherford	\$ (222)	\$ 6,987	\$ (235)	\$ (8,992)	\$ 2,240	\$ (222)

**Condensed Consolidating Balance Sheet**  
**June 30, 2015**  
**(Unaudited)**

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ —	\$ 1	\$ 22	\$ 588	\$ —	\$ 611
Other Current Assets	5	—	543	6,509	(604)	6,453
<b>Total Current Assets</b>	<b>5</b>	<b>1</b>	<b>565</b>	<b>7,097</b>	<b>(604)</b>	<b>7,064</b>
Equity Investments in Affiliates	8,011	11,057	10,528	3,868	(33,464)	—
Intercompany Receivables, Net	—	—	—	10,356	(10,356)	—
Other Assets	4	33	49	10,484	—	10,570
<b>Total Assets</b>	<b>\$ 8,020</b>	<b>\$ 11,091</b>	<b>\$ 11,142</b>	<b>\$ 31,805</b>	<b>\$ (44,424)</b>	<b>\$ 17,634</b>
<b>Current Liabilities:</b>						
Short-term Borrowings and Current Portion of Long-Term Debt	\$ —	\$ 1,464	\$ 6	\$ 86	\$ —	\$ 1,556
Accounts Payable and Other Current Liabilities	137	236	—	2,812	(604)	2,581
<b>Total Current Liabilities</b>	<b>137</b>	<b>1,700</b>	<b>6</b>	<b>2,898</b>	<b>(604)</b>	<b>4,137</b>
Long-term Debt	—	5,238	908	122	—	6,268
Intercompany Payables, Net	1,699	5,962	2,695	—	(10,356)	—
Other Long-term Liabilities	12	77	5	888	—	982
<b>Total Liabilities</b>	<b>1,848</b>	<b>12,977</b>	<b>3,614</b>	<b>3,908</b>	<b>(10,960)</b>	<b>11,387</b>
Weatherford Shareholders' Equity	6,172	(1,886)	7,528	27,822	(33,464)	6,172
Noncontrolling Interests	—	—	—	75	—	75
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 8,020</b>	<b>\$ 11,091</b>	<b>\$ 11,142</b>	<b>\$ 31,805</b>	<b>\$ (44,424)</b>	<b>\$ 17,634</b>

**Condensed Consolidating Balance Sheet**  
**December 31, 2014**

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ 1	\$ —	\$ 22	\$ 451	\$ —	\$ 474
Other Current Assets	4	12	544	7,524	(614)	7,470
<b>Total Current Assets</b>	<b>5</b>	<b>12</b>	<b>566</b>	<b>7,975</b>	<b>(614)</b>	<b>7,944</b>
Equity Investments in Affiliates	8,662	10,490	9,730	3,974	(32,856)	—
Intercompany Receivables, Net	—	—	—	10,490	(10,490)	—
Other Assets	5	35	16	10,889	—	10,945
<b>Total Assets</b>	<b>\$ 8,672</b>	<b>\$ 10,537</b>	<b>\$ 10,312</b>	<b>\$ 33,328</b>	<b>\$ (43,960)</b>	<b>\$ 18,889</b>
<b>Current Liabilities:</b>						
Short-term Borrowings and Current Portion of Long-Term Debt	\$ —	\$ 618	\$ 6	\$ 103	\$ —	\$ 727
Accounts Payable and Other Current Liabilities	43	256	—	3,615	(614)	3,300
<b>Total Current Liabilities</b>	<b>43</b>	<b>874</b>	<b>6</b>	<b>3,718</b>	<b>(614)</b>	<b>4,027</b>
Long-term Debt	—	5,749	911	137	1	6,798
Intercompany Payables, Net	1,666	6,202	2,622	—	(10,490)	—
Other Long-term Liabilities	5	82	5	939	—	1,031
<b>Total Liabilities</b>	<b>1,714</b>	<b>12,907</b>	<b>3,544</b>	<b>4,794</b>	<b>(11,103)</b>	<b>11,856</b>
Weatherford Shareholders' Equity	6,958	(2,370)	6,768	28,459	(32,857)	6,958
Noncontrolling Interests	—	—	—	75	—	75
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 8,672</b>	<b>\$ 10,537</b>	<b>\$ 10,312</b>	<b>\$ 33,328</b>	<b>\$ (43,960)</b>	<b>\$ 18,889</b>

**Condensed Consolidating Statement of Cash Flows**  
**Six Months Ended June 30, 2015**  
(Unaudited)

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
<b>Cash Flows from Operating Activities:</b>						
Net Income (Loss)	\$ (607)	\$ 173	\$ 787	\$ (127)	\$ (816)	\$ (590)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Charges from Parent or Subsidiary	26	43	68	(137)	—	—
Equity in (Earnings) Loss of Affiliates	474	(441)	(849)	—	816	—
Deferred Income Tax Provision (Benefit)	—	—	(34)	(157)	—	(191)
Other Adjustments	84	74	8	864	—	1,030
Net Cash Provided (Used) by Operating Activities	(23)	(151)	(20)	443	—	249
<b>Cash Flows from Investing Activities:</b>						
Capital Expenditures for Property, Plant and Equipment	—	—	—	(411)	—	(411)
Acquisition of Intellectual Property	—	—	—	(3)	—	(3)
Proceeds from Sale of Assets and Businesses, Net	—	—	—	23	—	23
Net Cash Provided (Used) by Investing Activities	—	—	—	(391)	—	(391)
<b>Cash Flows from Financing Activities:</b>						
Borrowings (Repayments) Short-term Debt, Net	—	496	—	(18)	—	478
Borrowings (Repayments) Long-term Debt, Net	—	(147)	(1)	(13)	—	(161)
Borrowings (Repayments) Between Subsidiaries, Net	22	(197)	21	154	—	—
Other, Net	—	—	—	(15)	—	(15)
Net Cash Provided (Used) by Financing Activities	22	152	20	108	—	302
Effect of Exchange Rate Changes On Cash and Cash Equivalents	—	—	—	(23)	—	(23)
Net Increase in Cash and Cash Equivalents	(1)	1	—	137	—	137
Cash and Cash Equivalents at Beginning of Period	1	—	22	451	—	474
Cash and Cash Equivalents at End of Period	\$ —	\$ 1	\$ 22	\$ 588	\$ —	\$ 611

**Condensed Consolidating Statement of Cash Flows**  
**Six Months Ended June 30, 2014**  
**(Unaudited)**

<i>(Dollars in millions)</i>	<b>Weatherford Ireland</b>	<b>Weatherford Bermuda</b>	<b>Weatherford Delaware</b>	<b>Other Subsidiaries</b>	<b>Eliminations</b>	<b>Consolidation</b>
<b>Cash Flows from Operating Activities:</b>						
Net Income (Loss)	\$ (186)	\$ 6,987	\$ (235)	\$ (8,971)	\$ 2,240	\$ (165)
Adjustments to Reconcile Net Income(Loss) to Net Cash Provided (Used) by Operating Activities:						
Charges from Parent or Subsidiary	12	(7,326)	77	9,057	(1,820)	—
Equity in (Earnings) Loss of Affiliates	144	112	164	—	(420)	—
Deferred Income Tax Provision (Benefit)	—	—	—	16	—	16
Other Adjustments	8	(260)	10	420	—	178
Net Cash Provided (Used) by Operating Activities	(22)	(487)	16	522	—	29
<b>Cash Flows from Investing Activities:</b>						
Capital Expenditures for Property, Plant and Equipment	—	—	—	(662)	—	(662)
Acquisitions of Businesses, Net of Cash Acquired	—	—	—	17	—	17
Acquisition of Intellectual Property	—	—	—	(3)	—	(3)
Proceeds from Sale of Assets and Businesses, Net	—	—	—	26	—	26
Net Cash Provided (Used) by Investing Activities	—	—	—	(622)	—	(622)
<b>Cash Flows from Financing Activities:</b>						
Borrowings (Repayments) Short-term Debt, Net	—	775	—	(37)	—	738
Borrowings (Repayments) Long-term Debt, Net	—	—	(8)	(28)	—	(36)
Borrowings (Repayments) Between Subsidiaries, Net	22	(287)	14	251	—	—
Proceeds from Capital Contributions	—	—	—	22	—	22
Other, Net	—	—	—	(2)	—	(2)
Net Cash Provided (Used) by Financing Activities	22	488	6	206	—	722
Effect of Exchange Rate Changes On Cash and Cash Equivalents	—	—	—	7	—	7
Net Increase in Cash and Cash Equivalents	—	1	22	113	—	136
Cash and Cash Equivalents at Beginning of Period	—	—	—	435	—	435
Cash and Cash Equivalents at End of Period	\$ —	\$ 1	\$ 22	\$ 548	\$ —	\$ 571

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

As used herein, the "Company," "we," "us" and "our" refer to Weatherford International plc ("Weatherford Ireland"), a public limited company organized under the laws of Ireland, and its subsidiaries on a consolidated basis, or for periods prior to June 17, 2014, to our predecessor, Weatherford International Ltd. ("Weatherford Switzerland"), a Swiss joint-stock corporation and its subsidiaries on a consolidated basis.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the Condensed Consolidated Financial Statements and Notes included with this report and our Consolidated Financial Statements, Notes and related MD&A for the year ended December 31, 2014 included in our Annual Report on Form 10-K. Our discussion includes various forward-looking statements about our markets, the demand for our products and services and our future results. These statements are based on certain assumptions we consider reasonable. For information about these assumptions, please review the section entitled "Forward-Looking Statements" and the section entitled "Item 1A. - Risk Factors."

### Overview

#### *Change in Reportable Segments*

In the first quarter of 2015, we changed our business structure to better align with management's current view and future growth objectives. This involved separating our Land Drilling Rigs business into a reportable segment resulting in a total of five reportable segments which are North America, MENA/Asia Pacific, Europe/SSA/Russia, Latin America and Land Drilling Rigs. We have recast prior periods to conform to the current business segment presentation. See "Note 15 – Segment Information" for additional information.

#### *General*

We conduct operations in over 100 countries and have service and sales locations in nearly all of the oil and natural gas producing regions in the world. Our operational performance is reviewed on a geographic basis, and we report the following regions as separate, distinct reporting segments mentioned previously.

We principally provide equipment and services to the oil and natural gas exploration and production industry, both on land and offshore, through our product service line groups: (1) Formation Evaluation and Well Construction, (2) Completion and Production, and (3) Land Drilling Rigs, which together comprise a total of 14 service lines.

- **Formation Evaluation and Well Construction** service lines include Managed-Pressure Drilling, Drilling Services, Tubular Running Services, Drilling Tools, Wireline Services, Testing and Production Services, Re-entry and Fishing, Cementing, Liner Systems, Integrated Laboratory Services and Surface Logging.
- **Completion and Production** service lines include Artificial Lift Systems, Stimulation and Completion Systems.
- **Land Drilling Rigs** encompasses our land drilling rigs business, including the products and services ancillary thereto.

We may sell our products and services separately or may bundle them together to provide integrated solutions, up to and including integrated well construction where we are responsible for the entire process of drilling, constructing and completing a well. Our customers include both exploration and production companies and other oilfield service companies. Depending on the service line, customer and location, our contracts vary in their terms, provisions and indemnities. We earn revenues under our contracts when products and services are delivered. Typically, we provide products and services at a well site where our personnel and equipment may be located together with personnel and equipment of our customer and third parties, such as other service providers. Our services are usually short-term in nature, day-rate based, and cancellable should our customer wish to alter the scope of work. Consequently, our backlog of firm orders is not material to the Company.

### Divestitures

Throughout 2014, we successfully sold several of our non-core businesses and investments. We received cash proceeds totaling over \$1.7 billion from these dispositions and used \$1.2 billion of the proceeds to reduce debt. For the year ended December 31, 2014, we recognized a gain on these dispositions of \$349 million.

### Long-lived Asset Impairments and Other Related Charges

In the second quarter of 2015, the continued weakness in crude oil prices contributed to lower exploration and production spending and a decline in the utilization of our pressure pumping assets. Based on these impairment indicators, we performed an analysis of our pressure pumping business and recorded charges of \$161 million, including long-lived impairment charges of \$124 million to adjust the assets to fair value in our North America segment and \$37 million of other pressure pumping business related charges. In the three and six months ended June 30, 2015, we also incurred supply agreement charges of \$20 million and \$30 million, respectively, related to the divestiture of a non-core business. In connection with our long-lived asset impairment in the second quarter of 2015, we prepared an analysis to determine the fair value of our equity investments in less than majority owned entities. We assessed these declines in value as other than temporary and recognized an impairment loss of \$20 million during the second quarter of 2015. In July 2014, we completed the sale of our rig operations in Russia and Venezuela. As a result of our commitment to sell, we recorded a \$143 million long-lived assets impairment charge. See “Note 6 – Long-Lived Asset Impairments” for additional information.

### Litigation Settlement

In March 2012, a purported securities class action captioned *Freedman v. Weatherford International Ltd., et al.*, was filed in the Southern District of New York against us and certain current and former officers. As a result of ongoing negotiations, a settlement agreement was reached on June 30, 2015, subject to notice to the class, approval by the U.S. District Court for the Southern District of New York and other conditions. The settlement agreement requires payments totaling \$120 million in exchange for the dismissal with prejudice of the litigation and the unconditional release of all claims. See “Note 16 – Disputes, Litigation and Contingencies” for additional information.

### Industry Trends

The level of spending in the energy industry is heavily influenced by changes in the current and expected future prices of oil and natural gas. Changes in expenditures result in an increased or decreased demand for our products and services. Rig count is an indicator of the level of spending for the exploration for and production of oil and natural gas reserves. The following chart sets forth certain statistics that reflect historical market conditions:

	WTI Oil <sup>(a)</sup>	Henry Hub Gas <sup>(b)</sup>	North American Rig Count <sup>(c)</sup>	International Rig Count <sup>(c)</sup>
June 30, 2015	\$ 59.47	\$ 2.84	995	1,169
December 31, 2014	53.27	2.90	2,294	1,315
June 30, 2014	105.37	4.44	2,061	1,348

(a) Price per barrel of West Texas Intermediate (“WTI”) crude oil of the date indicated at Cushing, Oklahoma – Source: Thomson Reuters

(b) Price per MM/BTU as of the date indicated at Henry Hub Louisiana – Source: Thomson Reuters

(c) Average rig count for the period indicated – Source: Baker Hughes Rig Count

During the first six months of 2015, oil prices ranged from a high of \$61.82 per barrel in mid-June to a low of \$44.45 per barrel in late January. Natural gas ranged from a high of \$3.21 MM/BTU in mid-January to a low of \$2.51 MM/BTU in mid-April. Factors influencing oil and natural gas prices during the period include hydrocarbon inventory levels, realized and expected global economic growth, realized and expected levels of hydrocarbon demand, level of production capacity within the Organization of Petroleum Exporting Countries (“OPEC”), weather and geopolitical uncertainty.



## **Outlook**

We entered into 2015 challenged by the recent steep decline in oil prices. This decline has materially reduced capital spending by our customers and reduced our revenue, both through lower activity levels and pricing. Our response to this environment will be to continue to focus on developing our core businesses while reducing cost and improving cash flow. In the fourth quarter of 2014, responsive to these changing market conditions, we commenced a reduction in force exercise initially targeting 8,000 positions, and in the first quarter we increased the target by 2,000 to a total of 10,000 positions. We have completed approximately 97% of the reduction in force target of 10,000 positions as of June 30, 2015, with realized annualized savings of \$686 million. This headcount reduction target has now been revised upward to 11,000 with the increase principally in the U.S with a focus on support positions. We have also closed over 60 operating facilities across North America through the first half of 2015 and plan to close 30 more by the end of the year. In addition to our headcount and operating facility reductions, this quarter, we closed three of our seven planned closures for the year in manufacturing and service facilities.

In the second quarter of 2015, North America continued to be severely impacted by both lower volume and pricing pressure as our customers reduce spending due to the decline in commodity prices. For the remainder of the year, we expect North America to continue to be impacted by the curtailment of activity and show only modest activity improvements, which will be partially offset by our efforts to rationalize our cost structure. Internationally, we expect to show resilient year-on-year performance through the 2015 market decline with the second half remaining relatively flat compared to second quarter levels. The Middle East will play an important role with incremental business in the Gulf markets, offset by activity declines in Asia Pacific.

Over the longer term, we believe the outlook for our core businesses is favorable. As well production decline rates accelerate and reservoir productivity complexities increase, our clients will continue to face challenges associated with decreasing the cost of extraction activities and securing desired rates of production. These challenges increase our customers' requirements for technologies that improve productivity and efficiency and increase demand for our products and services. These factors provide us with a positive outlook for our core businesses over the longer term. However, the level of improvement in our core businesses in the future will depend heavily on pricing, volume of work and our ability to offer solutions to more efficiently extract hydrocarbons, control costs and penetrate new and existing markets with our newly developed technologies.

We continually seek opportunities to maximize efficiency and value through various transactions, including purchases or dispositions of assets, businesses, investments or joint ventures. We evaluate our disposition candidates based on the strategic fit within our business and objectives. It is also our intention to divest our remaining land drilling rigs. Upon completion, the cash proceeds from any divestitures are expected to be used to repay or repurchase debt. Debt reduction from divestiture proceeds or otherwise may include the repurchase of our outstanding senior notes prior to their maturity in open market, either privately negotiated transaction or otherwise.

## Results of Operations

The following table contains selected financial data comparing our consolidated and segment results from operations for the three months ended June 30, 2015 and 2014:

	Three Months Ended June 30,		Favorable (Unfavorable)	Percentage Change
	2015	2014		
<i>(Dollars and shares in millions, except per share data)</i>				
Revenues:				
North America	\$ 808	\$ 1,659	\$ (851)	(51)%
MENA/Asia Pacific	516	579	(63)	(11)%
Europe/SSA/Russia	418	561	(143)	(25)%
Latin America	463	518	(55)	(11)%
Subtotal	2,205	3,317	(1,112)	(34)%
Land Drilling Rigs	185	394	(209)	(53)%
Total Revenues	2,390	3,711	(1,321)	(36)%
Operating Income (Expense):				
North America	(92)	244	(336)	(138)%
MENA/Asia Pacific	(17)	61	(78)	(128)%
Europe/SSA/Russia	65	105	(40)	(38)%
Latin America	76	76	—	— %
Subtotal	32	486	(454)	(93)%
Land Drilling Rigs	4	4	—	— %
Total Segment Operating Income	36	490	(454)	(93)%
Research and Development	(59)	(75)	16	21 %
Corporate Expenses	(46)	(45)	(1)	(2)%
Long-Lived Assets Impairment and Other Related Charges	(181)	(143)	(38)	(27)%
Goodwill and Equity Investment Impairment	(20)	(125)	105	84 %
Restructuring Charges	(69)	(59)	(10)	(17)%
Litigation Charges	(112)	—	(112)	— %
Loss on Sale of Businesses, Net	(5)	—	(5)	— %
Other Items	(8)	(18)	10	56 %
Total Operating Income	(464)	25	(489)	(1,956)%
Interest Expense, Net	(117)	(128)	11	9 %
Foreign Exchange Related Charges	(16)	—	(16)	— %
Other, Net	(18)	(19)	1	5 %
Income Tax Benefit (Provision)	132	(11)	143	1,300 %
Net Loss per Diluted Share	\$ (0.63)	\$ (0.19)	\$ (0.44)	(232)%
Weighted Average Diluted Shares Outstanding	778	777	(1)	— %
Depreciation and Amortization	\$ 311	\$ 355	\$ 44	12 %

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The following table contains selected financial data comparing our consolidated and segment results from operations for the six months ended June 30, 2015 and 2014:

	Six Months Ended June 30,		Favorable (Unfavorable)	Percentage Change
	2015	2014		
<i>(Dollars and shares in millions, except per share data)</i>				
<b>Revenues:</b>				
North America	\$ 1,971	\$ 3,269	\$ (1,298)	(40)%
MENA/Asia Pacific	1,049	1,198	(149)	(12)%
Europe/SSA/Russia	835	1,077	(242)	(22)%
Latin America	949	1,027	(78)	(8)%
Subtotal	4,804	6,571	(1,767)	(27)%
Land Drilling Rigs	380	736	(356)	(48)%
Total Revenues	5,184	7,307	(2,123)	(29)%
<b>Operating Income (Expense):</b>				
North America	(102)	440	(542)	(123)%
MENA/Asia Pacific	43	66	(23)	(35)%
Europe/SSA/Russia	136	183	(47)	(26)%
Latin America	174	166	8	5 %
Subtotal	251	855	(604)	(71)%
Land Drilling Rigs	14	(23)	37	161 %
Total Segment Operating Income	265	832	(567)	(68)%
Research and Development	(123)	(144)	21	15 %
Corporate Expenses	(102)	(92)	(10)	(11)%
Long-Lived Assets Impairment and Other Related Charges	(191)	(143)	(48)	(34)%
Goodwill and Equity Investment Impairment	(20)	(125)	105	84 %
Restructuring Charges	(110)	(129)	19	15 %
Litigation Charges	(112)	—	(112)	— %
Loss on Sale of Businesses, Net	(2)	—	(2)	— %
Other Items	(19)	(44)	25	57 %
Operating Income	(414)	155	(569)	(367)%
Interest Expense, Net	(237)	(254)	17	7 %
Foreign Exchange Related Charges	(42)	—	(42)	— %
Other, Net	(29)	(28)	(1)	(4)%
Income Tax Benefit (Provision)	132	(38)	170	447 %
Net Loss per Diluted Share	\$ (0.78)	\$ (0.24)	\$ (0.54)	(225)%
Weighted Average Diluted Shares Outstanding	778	776	(2)	— %
Depreciation and Amortization	\$ 627	\$ 706	\$ 79	11 %

**Revenue Percentage by Product Service Line Group**

The following chart contains the percentage distribution of our consolidated revenues by product service line group for the three and six months ended June 30, 2015 and 2014:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
Formation Evaluation and Well Construction	56%	50%	57%	51%
Completion and Production	36	39	36	39
Land Drilling Rigs	8	11	7	10
Total	100%	100%	100%	100%

**Consolidated Revenues**

Consolidated revenues decreased \$1.3 billion, or 36%, and decreased \$2.1 billion, or 29%, in the three and six months ended June 30, 2015 compared to the three and six months of 2014, respectively. Revenues decreased in the three and six months of 2015 across all our segments with declines of \$851 million, or 51%, and \$1.3 billion, or 40%, in North America, \$261 million, or 16%, and \$469 million, or 14%, in our International segments and \$209 million, or 53%, and \$356 million, or 48%, in Land Drilling Rigs, respectively. International revenues represent revenues of our regional segments other than North America and the Land Drilling Rigs segments. The decline in North American revenue is consistent with the 52% decrease in North American rig count since the second quarter of 2014 with significant declines across product lines in the United States and Canada, particularly pressure pumping, artificial lift, intervention services and drilling services. The decline in the North America segment was driven by a combination of lower activity and customer pricing pressure.

The decline in revenues in our International segments is in line with the decrease in international rig count of 13% since the second quarter of 2014 as well as declines in revenue from our Europe/Russia/SSA and MENA/Asia Pacific due to pricing pressure and reduced activity across our product lines. Partially offsetting the revenue decline in the MENA/Asia Pacific segment was improved demand for services for our well construction, completion and drilling services product lines in Saudi Arabia and Australia. Lastly, our Latin America segment showed improvement in our managed pressure drilling product line in Brazil due to increase in demand, as well as increased demand for various other services in Argentina.

The decline in our Land Drilling Rigs revenue is primarily attributable to the decline in drilling activity consistent with the rig count declines, decreases in new drilling activity and the 2014 disposal of our land drilling and workover rig operations in Russia and Venezuela.

**Operating Income**

Segment operating income decreased \$454 million, or 93%, and \$567 million, or 68%, in the three and six months ended June 30, 2015, compared to the three and six months ended June 30, 2014. The decline in operating income is consistent with the reduction in activity resulting from the significant decline in both the price of oil and rig counts, which has put pressure on our pricing and has resulted in lower volume of work.

Operating income for the three months ended June 30, 2015 and 2014 includes legacy contract and other related charges of \$69 million and \$2 million, respectively, and restructuring charges of \$69 million and \$59 million, respectively. Additionally, consolidated operating income for the six months ended June 30, 2015 and 2014 includes legacy contract and other related charges of \$78 million and \$48 million, respectively, and restructuring charges of \$110 million and \$129 million, respectively. For additional information regarding charges by segment, see the subsection entitled "Segment Results" and "Restructuring Charges" below.

Other items impacting our results for the three months ended June 30, 2015 and 2014 included expenses of \$8 million and \$18 million, respectively, and for the six months ended June 30, 2015 and 2014 included expenses of \$19 million and \$44 million, respectively. These expenses were primarily incurred in conjunction with the divestiture of non-core businesses, restatement related litigation and our previously settled U.S. government investigations.

## Segment Results

### *North America*

Revenues in our North America segment decreased \$851 million, or 51%, in the second quarter of 2015 and \$1.3 billion, or 40%, during the six months ended June 30, 2015 compared to the second quarter and six months ended June 30, 2014, respectively. North America average rig count decreased 52% since June 30, 2014. The decline in revenue in the three and six months ended June 30, 2015 was due to lower activity and pricing pressure that broadly impacted all product lines, particularly pressure pumping, artificial lift, intervention services and drilling services. The disposition of our engineered chemistry business on December 31, 2014 also negatively impacted revenues when compared to the same period in the prior year.

Total revenues in the United States were \$693 million and \$1.4 billion for the three months ended June 30, 2015 and 2014, respectively and \$1.6 billion and \$2.6 billion for the six months ended June 30, 2015 and 2014, respectively. The remaining revenues of our North America segment of \$115 million and \$248 million for the three months ended June 30, 2015 and 2014, and \$333 million and \$630 million for the six months ended June 30, 2015 and 2014, respectively, were derived from our operations in Canada.

Operating income in our North America segment decreased \$336 million, or 138%, in the second quarter of 2015 and \$542 million, or 123% during the six months ended June 30, 2015 compared to the second quarter and six months of 2014. Contributing to the decline was the rig count decrease of 52% since June 30, 2014, increased pricing pressure and reduced activity associated with the significant decline in oil prices. Due to these factors operating income decreased in the United States and Canada across all product lines, particularly artificial lift, drilling services and pressure pumping.

In the three months ended June 30, 2015 and 2014, we recognized "Restructuring Charges" on our Condensed Consolidated Statements of Operations of \$21 million and \$19 million, respectively, related to operations in North America. In the six months ended June 30, 2015 and 2014, we recognized "Restructuring Charges" of \$29 million and \$28 million, respectively, related to operations in North America. In addition, we recorded asset impairment charges of \$124 million, pressure pumping business related charges for contract obligation of \$37 million and supply agreement charges related to a non-core business divestiture of \$20 million as "Long-Lived Assets Impairment and Other Related Charges" on our Condensed Consolidated Statements of Operations.

### *MENA/Asia Pacific*

Revenues in our MENA/Asia Pacific segment decreased \$63 million, or 11%, in the second quarter of 2015, and \$149 million or 12%, during the six months ended June 30, 2015 compared to the second quarter and six months ended June 30, 2014, respectively. The revenue decline was mainly due to reduced volume of work primarily in the intervention services, wireline, testing and production services, and secure drilling services product lines, as well as the lost revenues following the sale of the pipeline and specialty services product lines in September 2014. The decline in revenue was also impacted by lower progress from our ongoing legacy contract in Iraq, lower activity in Yemen from the political disruption and lower demand in the Asia Pacific region, primarily Indonesia and China. Partially offsetting the revenue decline in the MENA/Asia Pacific segment was improved demand for services for our well construction, completion and drilling services product lines in Saudi Arabia and Australia.

Operating income decreased \$78 million, or 128%, in the second quarter of 2015, and \$23 million, or 35%, during the six months ended June 30, 2015 compared to the second quarter and six months ended June 30, 2014. The decrease in operating income is primarily attributable to project losses on legacy contracts in Iraq and lower activity across most product lines offset by a gain recognized from a sale of a joint venture investment in China in the six months ended June 30, 2014. This decline was partially offset by improved profitability for completion services product line in Australia and higher profitability resulting from the closure of unprofitable locations in 2014.

In the three months ended June 30, 2015 and 2014, we recognized "Restructuring Charges" on our Condensed Consolidated Statements of Operations of \$29 million and \$13 million, respectively, related to operations in MENA/Asia Pacific. In the six months ended June 30, 2015 and 2014, we recognized "Restructuring Charges" of \$35 million and \$17 million, respectively, related to operations in MENA/Asia Pacific.

### ***Europe/SSA/Russia***

Revenues in our Europe/SSA/Russia segment decreased \$143 million, or 25%, in the second quarter of 2015 compared to the second quarter of 2014 and \$242 million, or 22%, during the six months ended June 30, 2015 compared to the six months ended June 30, 2014. The decline in activity directly impacted the decline in revenues due to lower demand and pricing pressure in our well construction and completion product lines in the North Sea and wireline and pressure pumping services in the Black Sea. There was also a decreased demand and pricing pressure for services in Gabon and drilling services in Russia. Additionally, the sale of the pipeline and specialty services and engineered chemistry product lines in the third and fourth quarters of 2014, respectively, contributed to the decline in the Europe/SSA/Russia segment. Revenue for six months ended June 30, 2015 was also negatively impacted by weaker Russian ruble and euro.

Operating income decreased \$40 million, or 38% , in the second quarter of 2015 compared to the second quarter of 2014 and \$47 million, or 26%, during the six months ended June 30, 2015 compared to the second quarter and six months ended of 2014. The decline was consistent with the decline in revenue and with the incremental profits attributable to our cost reduction exercise.

In the three months ended June 30, 2015 and 2014, we recognized “Restructuring Charges” on our Condensed Consolidated Statements of Operations of \$14 million and \$8 million, respectively, related to operations in Europe/SSA/Russia. In the six months ended June 30, 2015 and 2014, we recognized “Restructuring Charges” of \$21 million and \$27 million, respectively, related to operations in Europe/SSA/Russia.

### ***Latin America***

Revenues in our Latin America segment decreased \$55 million, or 11%, in the second quarter of 2015 compared to the second quarter of 2014 and \$78 million, or 8%, during the six months ended June 30, 2015 compared to the six months ended June 30, 2014. The reduced demand for drilling services in Mexico, Colombia, and Ecuador lead the decline in revenues for the Latin America segment, offset by an increase in sales in our managed pressure drilling product line in Brazil and increased demand for services in Argentina.

Operating income was flat in the second quarter of 2015 compared to the second quarter of 2014 and increased \$8 million, or 5%, during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 due to cost reduction initiatives in Mexico and a continued focus on higher margin activity in Argentina and Brazil.

In the three months ended June 30, 2015 and 2014, we recognized “Restructuring Charges” on our Condensed Consolidated Statements of Operations of \$4 million in both quarters related to operations in Latin America. In the six months ended June 30, 2015 and 2014, we recognized “Restructuring Charges” of \$16 million and \$23 million, respectively, related to operations in Latin America.

### ***Land Drilling Rigs***

Revenues in our Land Drilling Rigs segment decreased \$209 million, or 53%, in the second quarter of 2015 and \$356 million, or 48%, during the six months ended 2015 compared to the second quarter and six months ended June 30, 2014, respectively. The decrease is due to the sale of the Russia Rigs business in July 2014 in addition to the overall decrease in the international rig count and drilling activity.

Operating income was flat in the second quarter of 2015 and increased \$37 million or 161%, during six months ended June 30, 2015, compared to the second quarter and six months ended June 30, 2014, respectively. The increase in the six months ended June 30, 2015 is primarily a result improved drilling efficiencies in Iraq, Oman and Latin America. In addition, six months ended June 30, 2014 included facility closure costs that did not reoccur in 2015.

In the three months ended June 30, 2015 and 2014, we recognized “Restructuring Charges” on our Condensed Consolidated Statements of Operations of \$1 million in both quarters related to our Land Drilling Rigs operations. In the six months ended June 30, 2015 and 2014, we recognized “Restructuring Charges” of \$6 million and \$4 million, respectively, related to our Land Drilling Rigs operations.

### ***Foreign Exchange Related Charges – Devaluation and Other Inflationary Impacts***

A new Venezuelan currency exchange system, known as the “Marginal Currency System” (or “SIMADI”), opened for trading February 12, 2015, replacing Venezuela’s Supplementary Foreign Currency Administration System auction rate (“SICAD II”) mechanism. The SIMADI is intended to provide limited access to a free market rate of exchange. In the first quarter of 2015, we began using the SIMADI rate and recognized remeasurement charges of \$26 million and we will continue to monitor the impact on our financial statements of the evolving Venezuela exchange rate. At June 30, 2015 our net monetary asset position denominated in Venezuelan bolivar was approximately \$7 million.

In the second quarter of 2015, the Angolan kwanza devalued approximately 11% and we recognized foreign exchange related charges of \$16 million. We will continue to monitor the impact on our financial statements of the evolving Angola exchange rate. At June 30, 2015 our net monetary asset position denominated in Angolan kwanza was approximately \$124 million.

### ***Potential Highly Inflationary Country***

The Company has noted the concerns raised by the International Monetary Fund (“IMF”) relating to the accuracy of Argentina’s officially reported consumer price index. Given the lack of verifiable information, objective sources have not observed data that would support designating Argentina as “Highly Inflationary.” The Company is closely monitoring the work of the IMF and the price index information that becomes available. As of June 30, 2015, we had a net monetary asset position denominated in Argentine pesos of \$119 million, comprised primarily of accounts receivable and current liabilities.

### ***Interest Expense, Net***

Net interest expense was \$117 million and \$237 million for the three and six months ended June 30, 2015, respectively, compared to \$128 million and \$254 million for the three and six months ended June 30, 2014, respectively. Interest expense for the three and six months ended June 30, 2015 decreased primarily due to a decrease in our debt balance and the redemption of certain senior notes in the first quarter of 2015.

### ***Income Taxes***

We estimate our annual effective tax rate based on year-to-date operating results and our forecast of operating results for the remainder of the year, by jurisdiction, and apply this rate to the year-to-date operating results. If our actual results, by jurisdiction, differ from the forecasted operating results, our effective tax rate can change affecting the tax expense for both successive interim results as well as the annual tax results. For both the three and six months ended June 30, 2015, we had a \$132 million tax benefit on a loss before income taxes of \$615 million and \$722 million, respectively. Our results for the three months ended June 30, 2015 includes \$112 million of litigation settlements, \$69 million of project losses, \$16 million of devaluation of the Angolan kwanza currency, \$20 million of equity investment impairment and \$69 million of restructuring charges with no significant tax benefit. Our results for the six months ended June 30, 2015 includes \$112 million of litigation settlements, \$27 million of project losses, \$42 million of currency devaluation, \$20 million of equity investment impairment and \$110 million of restructuring charges with no significant tax benefit.

We are continuously under tax examination in various jurisdictions. We cannot predict the timing or outcome regarding resolution of these tax examinations or if they will have a material impact on our financial statements. We continue to anticipate a possible reduction in the balance of uncertain tax positions by approximately \$19 million in the next twelve months due to expiration of statutes of limitations, settlements and/or conclusions of tax examinations.

For the three and six months ended June 30, 2014, we had a tax provision of \$11 million and \$38 million on a loss before income taxes of \$122 million and \$127 million, respectively. Our results for the three and six months ended June 30, 2014 include a \$143 million impairment loss (\$121 million, net of tax) to record the land drilling and workover rig operations in Russia and Venezuela at fair value. We also recorded a \$125 million non-cash impairment charge to goodwill based on our analysis triggered by the planned sale of our land drilling and workover rig operations in Russia and Venezuela, which was non-deductible for income tax purposes. Our results for the six months ended June 30, 2014 were also impacted by discrete income before tax items, including restructuring charges and project losses of approximately \$177 million, with no significant tax benefit.

## Restructuring Charges

In the fourth quarter of 2014, in response to the significant decline in the price of crude oil and our anticipation of a lower level of exploration and production spending in 2015, we initiated a plan to reduce our overall costs and workforce to better align with anticipated activity levels. This cost reduction plan (the “2015 Plan”) includes a workforce reduction and other cost reduction measures initiated across our geographic regions. In connection with the 2015 Plan, we recognized restructuring charges of \$69 million and \$110 million in the three and six months ended June 30, 2015, respectively. For the three and six months ended June 30, 2015, our restructuring charges include termination (severance) benefits of \$19 million and \$59 million, respectively, and other restructuring charges of \$50 million and \$51 million. Other restructuring charges for both the three and six months ended June 30, 2015 includes asset write-offs of \$23 million related to Yemen due to the political disruption and \$22 million in other regions. We have also closed over 60 operating facilities across North America through the first half of 2015 and plan to close 30 more by the end of the year.

In the first quarter of 2014, we announced a cost reduction plan (the “2014 Plan”), which included a worldwide workforce reduction and other cost reduction measures. The 2014 Plan resulted in restructuring charges of \$32 million and \$98 million related to termination (severance) benefits in the three and six months ended June 30, 2014, respectively. As of December 31, 2014, we completed our planned headcount reductions and closures of underperforming operating locations in connection with the 2014 Plan.

The following tables present the components of the 2015 Plan and the 2014 Plan restructuring charges by segment for the three and six months ended June 30, 2015 and 2014.

<i>(Dollars in millions)</i>	<b>Three Months Ended June 30, 2015</b>		
	<b>Severance Charges</b>	<b>Other Restructuring Charges</b>	<b>Total Severance and Other Charges</b>
<b>2015 Plan</b>			
North America	\$ 4	\$ 17	\$ 21
MENA/Asia Pacific	6	23	29
Europe/SSA/Russia	5	9	14
Latin America	3	1	4
Subtotal	18	50	68
Land Drilling Rigs	1	—	1
Corporate and Research and Development	—	—	—
Total	\$ 19	\$ 50	\$ 69

<i>(Dollars in millions)</i>	<b>For the Three Months Ended June 30, 2014</b>		
	<b>Severance Charges</b>	<b>Other Restructuring Charges</b>	<b>Total Severance and Other Charges</b>
<b>2014 Plan</b>			
North America	\$ 4	\$ 15	\$ 19
MENA/Asia Pacific	6	7	13
Europe/SSA/Russia	6	2	8
Latin America	3	1	4
Subtotal	19	25	44
Land Drilling Rigs	1	—	1
Corporate and Research and Development	12	2	14
Total	\$ 32	\$ 27	\$ 59



	Six Months Ended June 30, 2015		
	Severance Charges	Other Restructuring Charges	Total Severance and Other Charges
<i>(Dollars in millions)</i>			
<b>2015 Plan</b>			
North America	\$ 12	\$ 17	\$ 29
MENA/Asia Pacific	11	24	35
Europe/SSA/Russia	12	9	21
Latin America	15	1	16
Subtotal	50	51	101
Land Drilling Rigs	6	—	6
Corporate and Research and Development	3	—	3
Total	\$ 59	\$ 51	\$ 110

	Six Months Ended June 30, 2014		
	Severance Charges	Other Restructuring Charges	Total Severance and Other Charges
<i>(Dollars in millions)</i>			
<b>2014 Plan</b>			
North America	\$ 13	\$ 15	\$ 28
MENA/Asia Pacific	10	7	17
Europe/SSA/Russia	21	6	27
Latin America	22	1	23
Subtotal	66	29	95
Land Drilling Rigs	4	—	4
Corporate and Research and Development	28	2	30
Total	\$ 98	\$ 31	\$ 129

The severance and other restructuring charges gave rise to certain liabilities, the components of which are summarized below, and largely relate to the severance accrued as part of both plans that will be paid pursuant to the respective arrangements and statutory requirements.

	At June 30, 2015				
	2015 Plan		2014 Plan		Total Severance and Other Restructuring Liability
	Severance Liability	Other Restructuring Liability	Severance Liability	Other Restructuring Liability	
<i>(Dollars in millions)</i>					
North America	\$ 6	\$ 4	\$ —	\$ —	\$ 10
MENA/Asia Pacific	5	—	1	5	11
Europe/SSA/Russia	5	3	—	2	10
Latin America	1	—	—	—	1
Subtotal	17	7	1	7	32
Land Drilling Rigs	—	—	—	—	—
Corporate and Research and Development	—	—	5	—	5
Total	\$ 17	\$ 7	\$ 6	\$ 7	\$ 37

The following table presents the restructuring liability activity for the six months ended June 30, 2015.

<i>(Dollars in millions)</i>	Accrued Balance at December 31, 2014	Six Months Ended June 30, 2015			Accrued Balance at June 30, 2015
		Charges	Cash Payments	Other	
<b>2015 Plan:</b>					
Severance liability	\$ 53	\$ 59	\$ (93)	\$ (2)	\$ 17
Other restructuring liability	—	6	(2)	3	7
<b>2014 Plan:</b>					
Severance liability	14	—	(6)	(2)	6
Other restructuring liability	12	—	(3)	(2)	7
Total severance and other restructuring liability	<u>\$ 79</u>	<u>\$ 65</u>	<u>\$ (104)</u>	<u>\$ (3)</u>	<u>\$ 37</u>

## Liquidity and Capital Resources

At June 30, 2015, we had cash and cash equivalents of \$611 million compared to \$474 million at December 31, 2014. At June 30, 2015, cash and cash equivalents reflected a negative impact of \$12 million due to the devaluation of the Venezuelan bolivar in the first quarter of 2015 related to the adoption of the new Venezuelan currency exchange system called the SIMADI, which replaced the SICAD II exchange. In the second quarter of 2015 the Angolan kwanza devalued approximately 11% and we recognized a negative impact of \$16 million due to the devaluation. The following table summarizes cash flows provided by (used in) each type of activity, for the six months ended June 30, 2015 and 2014:

<i>(Dollars in millions)</i>	Six Months Ended June 30,	
	2015	2014
Net Cash Provided by Operating Activities	\$ 249	\$ 29
Net Cash Used in Investing Activities	(391)	(622)
Net Cash Provided by Financing Activities	302	722

### Operating Activities

For the six months ended June 30, 2015, cash provided by operating activities was \$249 million compared to \$29 million in the six months ended June 30, 2014. The improvement in operating cash flow in 2015 compared to 2014 was attributable to improved cash flow from working capital and the absence of \$253 million in government settlement payments made in 2014. These improvements were partially offset by a decline of income associated with the significant decline in oil prices and drilling activity.

### Investing Activities

The primary driver of our investing cash flow activities is capital expenditures for property, plant and equipment. Capital expenditures were \$411 million for the six months ended June 30, 2015 and \$662 million for the six months ended June 30, 2014. The amount we spend for capital expenditures varies each year based on the type of contracts in which we enter, our asset availability and our expectations with respect to industry activity levels in the following year.

We did not complete any dispositions or acquisitions in the six months ended June 30, 2015. Cash proceeds received from dispositions were \$23 million and \$26 million in the six months ended June 30, 2015 and June 30, 2014, respectively. In the six months ended June 30, 2015, cash proceeds were primarily from the working capital adjustment related to the sale of our pipeline and specialty services business from the prior year and from a combination of various other asset sales. In the six months ended June 30, 2014, we acquired, via a step acquisition, an additional 30% ownership interest in a joint venture in China. We paid \$13 million for the incremental interest, thereby increasing our ownership interest from 45% to 75%. As a result of this transaction, we acquired \$30 million of cash. Therefore, in the six months ended June 30, 2014, we had a cash inflow from acquired businesses of \$17 million. While we expect to continue to make business acquisitions when strategically advantageous, our current focus is on disposition of businesses or capital assets that are no longer core to our long-term strategy.

### ***Financing Activities***

Our financing activities primarily consisted of the borrowing and repayment of short-term and long-term debt. Our short-term borrowings, net of repayments were \$478 million in the six months ended June 30, 2015 and \$738 million in the six months ended June 30, 2014. Total net long-term debt repayments were \$161 million in the six months ended June 30, 2015 compared to total net long-term debt repayments of \$36 million in six months ended June 30, 2014. In the first three months of 2015, through a series of open market transactions, we repurchased certain of our 4.5% senior notes, 5.95% senior notes, 6.5% senior notes and 6.75% senior notes with a total book value of \$160 million. We recognized a cumulative gain of approximately \$12 million on these transactions.

### ***Sources of Liquidity***

Our sources of available liquidity include cash and cash equivalent balances, cash generated from operations, dispositions, commercial paper and availabilities under committed lines of credit. We also historically have accessed banks for short-term loans from uncommitted borrowing arrangements and have accessed the capital markets with debt, equity and convertible bond offerings. From time to time we may enter into transactions to factor accounts receivable or dispose of businesses or capital assets that are no longer core to our long-term strategy.

### ***Revolving Credit Agreement***

We maintain a \$2.25 billion unsecured, revolving credit agreement (the "Credit Agreement"). On June 30, 2015, we entered into an amendment to the Credit Agreement to extend the maturity date to July 13, 2017 and to make certain other changes. The Credit Agreement can be used for a combination of borrowings, support for our \$2.25 billion commercial paper program and issuances of letters of credit. This agreement requires that we maintain a debt-to-total capitalization ratio of less than 60%. We were in compliance with this covenant at June 30, 2015.

The following summarizes our availability under the Credit Agreement at June 30, 2015 (dollars in millions):

Facility	\$ 2,250
Less uses of facility:	
Revolving credit facility	730
Commercial paper	198
Letters of credit	16
Availability	<u>\$ 1,306</u>

### ***364-Day Term Loan Facility***

On April 9, 2015, the maturity date, we repaid the remaining balance of \$175 million on our \$400 million, 364-day term loan facility.

### ***Other Short-Term Borrowings and Other Debt Activity***

We have short-term borrowings with various domestic and international institutions pursuant to uncommitted credit facilities. At June 30, 2015, we had \$220 million in short-term borrowings under these arrangements, including \$180 million borrowed under a credit agreement entered into in March 2014 that matures on March 20, 2016 (with respect to \$150 million) and June 20, 2015 (with respect to the remaining \$30 million), with a LIBOR-based weighted average interest rate of 1.73% as of June 30, 2015. In the first three months of 2015, through a series of open market transactions, we repurchased certain of our 4.5% senior notes, 5.95% senior notes, 6.5% senior notes and 6.75% senior notes with a total book value of \$160 million. We recognized a cumulative gain of approximately \$12 million on these transactions. No repurchases were made during the second quarter of 2015.

### ***Ratings Services' Credit Rating***

Our Standard & Poor's Ratings Services' credit rating on our senior unsecured debt is currently BBB- and our short-term rating is A-3. On March 11, 2015, S&P removed us from Credit Watch with negative implications and changed our outlook to negative. Our Moody's Investors Ratings Services' credit rating on our unsecured debt is currently Baa3 and our short-term rating is P-3. On March 24, 2015, Moody Investors changed our outlook from stable to negative. On April 15, 2015, Fitch Ratings has assigned credit rating on our senior unsecured debt of BBB- and our short-term rating of F3, and a negative outlook. We have access and expect we will continue to have access to credit markets, including the U.S. commercial paper market, although the commercial paper amounts outstanding may be reduced as a result of a negative rating change. We expect to utilize the Credit Agreement or other facilities to supplement commercial paper borrowings as needed.

### ***Cash Requirements***

For the remainder of 2015, we anticipate our cash requirements will include payments for capital expenditures, repayment of debt, interest payments on our outstanding debt and payments for short-term working capital needs. Our cash requirements may also include opportunistic debt repurchases, business acquisitions and amounts to settle litigation related matters. We anticipate funding these requirements from cash generated from operations, availability under our existing or additional credit facilities, the issuance of commercial paper and, if completed, proceeds from disposals of businesses or capital assets that are no longer closely aligned with our core long-term growth strategy. We anticipate that cash generated from operations will be augmented by working capital improvements driven by capital discipline and the collection of receivables. Capital expenditures for 2015 are currently projected to be approximately \$750 million. The amounts we ultimately spend will depend on a number of factors including the type of contracts we enter into, asset availability and our expectations with respect to industry activity levels in 2015. Expenditures are expected to be used primarily to support anticipated near-term growth of our core businesses and our sources of liquidity are anticipated to be sufficient to meet our needs. Capital expenditures were \$411 million for the six months ended June 30, 2015. Cash and cash equivalents of \$611 million at June 30, 2015, are held by subsidiaries outside of Ireland. Based on the nature of our structure, we are generally able to redeploy cash with no incremental tax.

### ***Off Balance Sheet Arrangements***

#### ***Guarantees***

Weatherford Ireland guarantees the obligations of our subsidiaries Weatherford Bermuda and Weatherford Delaware, including the notes and credit facilities listed below.

The following obligations of Weatherford Delaware were guaranteed by Weatherford Bermuda at June 30, 2015 and December 31, 2014: (1) 6.35% senior notes and (2) 6.80% senior notes.

The following obligations of Weatherford Bermuda were guaranteed by Weatherford Delaware at June 30, 2015 and December 31, 2014: (1) revolving credit facility, (2) 5.50% senior notes, (3) 6.50% senior notes, (4) 6.00% senior notes, (5) 7.00% senior notes, (6) 9.625% senior notes, (7) 9.875% senior notes, (8) 5.125% senior notes, (9) 6.75% senior notes, (10) 4.50% senior notes and (11) 5.95% senior notes. At December 31, 2014, we had a 364-day term loan facility which was an obligation of Weatherford Bermuda guaranteed by Weatherford Delaware.

As a result of certain of these guarantee arrangements, we are required to present condensed consolidating financial information. See guarantor financial information presented in "Note 18 – Condensed Consolidating Financial Statements."

*Letters of Credit and Performance and Bid Bonds*

We use letters of credit and performance and bid bonds in the normal course of our business. As of June 30, 2015, we had \$843 million of letters of credit and performance and bid bonds outstanding, consisting of \$549 million outstanding under various uncommitted credit facilities, \$16 million of letters of credit outstanding under our Credit Agreement and \$278 million of surety bonds, primarily performance bonds, issued by financial sureties against an indemnification from us. These obligations could be called by the beneficiaries should we breach certain contractual or performance obligations. If the beneficiaries were to call the letters of credit under our committed facilities, our available liquidity would be reduced by the amount called.

**Derivative Instruments**

*Fair Value Hedges*

We may use interest rate swaps to help mitigate exposures related to changes in the fair values of the associated debt. As of June 30, 2015, we had net unamortized gains of \$28 million associated with interest rate swap terminations. These gains are being amortized over the remaining term of the originally hedged debt as a reduction in interest expense. See “Note 10 – Derivative Instruments” to our Condensed Consolidated Financial Statements for additional details.

*Other Derivative Instruments*

We enter into contracts to hedge our exposure to currency fluctuations in various foreign currencies. At June 30, 2015 and December 31, 2014, we had outstanding foreign currency forward contracts with notional amounts aggregating \$1.4 billion and \$1.6 billion, respectively. The notional amounts of our foreign currency forward contracts do not generally represent amounts exchanged by the parties and, thus are not a measure of the cash requirements related to these contracts or of any possible loss exposure. The amounts actually exchanged at maturity are calculated by reference to the notional amounts and by other terms of the derivative contracts, such as exchange rates.

We had cross-currency swaps between the U.S. dollar and Canadian dollar to hedge certain exposures to the Canadian dollar. At December 31, 2014, to hedge our exposure to the Canadian dollar, we held cross-currency swaps between the U.S. dollar and Canadian dollar with a notional amount of \$168 million. We settled the cross-currency swap arrangements in the three months ended March 31, 2015 after recognizing a mark-to-market gain of \$13 million in the first quarter of 2015. We collected \$8 million in proceeds upon settlement.

Our foreign currency forward contracts and cross-currency swaps were not designated as hedges, and the changes in fair value of the contracts are recorded each period in current earnings in the line captioned “Other, Net” on the accompanying Condensed Consolidated Statements of Operations.

**Critical Accounting Policies and Estimates**

Our discussion and analysis of our financial condition and results of operation is based upon our Consolidated Financial Statements. We prepare these financial statements in conformity with U.S. generally accepted accounting principles. As such, we are required to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. We base our estimates on historical experience, available information and various other assumptions we believe to be reasonable under the circumstances. On an on-going basis, we evaluate our estimates; however, actual results may differ from these estimates under different assumptions or conditions. There have been no material changes or developments in our evaluation of the accounting estimates and the underlying assumptions or methodologies that we believe to be critical accounting policies and estimates as disclosed in our Form 10-K for the year ended December 31, 2014.

**New Accounting Pronouncements**

See “Note 17 – New Accounting Pronouncements” to our Condensed Consolidated Financial Statements, included elsewhere in this report.

## Forward-Looking Statements

This report contains various statements relating to future financial performance and results, including certain projections, business trends and other statements that are not historical facts. These statements constitute “Forward-Looking Statements” as defined in the Securities Act of 1933, as amended (the “Securities Act”) and the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “budget,” “strategy,” “plan,” “guidance,” “outlook,” “may,” “should,” “could,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions, although not all forward-looking statements contain these identifying words.

Forward-looking statements reflect our beliefs and expectations based on current estimates and projections. While we believe these expectations, and the estimates and projections on which they are based, are reasonable and were made in good faith, these statements are subject to numerous risks and uncertainties. Accordingly, our actual outcomes and results may differ materially from what we have expressed or forecasted in the forward-looking statements. Furthermore, from time to time, we update the various factors we consider in making our forward-looking statements and the assumptions we use in those statements. However, we undertake no obligation to correct, update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except to the extent required under federal securities laws. The following sets forth various assumptions we use in our forward-looking statements, as well as risks and uncertainties relating to those statements. Certain of these risks and uncertainties may cause actual results to be materially different from projected results contained in forward-looking statements in this report and in our other disclosures. These risks and uncertainties include, but are not limited to, those described below under “Item 1A. – Risk Factors” and the following:

- the price volatility of oil, natural gas and natural gas liquids, including the impact of the recent and significant decline in the price of crude oil;
- global political, economic and market conditions, political disturbances, war, terrorist attacks, changes in global trade policies, and international currency fluctuations;
- nonrealization of expected benefits from our acquisitions or business dispositions and our ability to execute such acquisitions and dispositions;
- our ability to realize expected revenues and profitability levels from current and future contracts;
- our ability to manage our workforce, supply chain and business processes, information technology systems and technological innovation and commercialization, including the impact of our 2014 and 2015 cost reduction plans;
- our high level of indebtedness;
- increases in the prices and availability of our raw materials;
- potential non-cash asset impairment charges for long-lived assets, goodwill, intangible assets or other assets;
- changes to our effective tax rate;
- nonrealization of potential earnouts associated with business dispositions;
- downturns in our industry which could affect the carrying value of our goodwill;
- member-country quota compliance within OPEC;
- adverse weather conditions in certain regions of our operations;
- our ability to realize the expected benefits from our redomestication from Switzerland to Ireland and to maintain our Swiss tax residency;
- failure to ensure on-going compliance with current and future laws and government regulations, including but not limited to environmental and tax and accounting laws, rules and regulations; and
- limited access to capital or significantly higher cost of capital related to liquidity or uncertainty in the domestic or international financial markets.

Finally, our future results will depend upon various other risks and uncertainties, including, but not limited to, those detailed in our other filings with the SEC under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Securities Act. For additional information regarding risks and uncertainties, see our other filings with the SEC. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are made available free of charge on our web site [www.weatherford.com](http://www.weatherford.com) under “Investor Relations” as soon as reasonably practicable after we have electronically filed the material with, or furnished it to, the SEC.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

For quantitative and qualitative disclosures about market risk, see “Part II – Item 7A.– Quantitative and Qualitative Disclosures about Market Risk,” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. Our exposure to market risk has not changed materially since December 31, 2014, except as described below.

#### ***Foreign Exchange Related Charges – Devaluation and Other Inflationary Impacts***

A new Venezuelan currency exchange system, known as the “Marginal Currency System” (or “SIMADI”), opened for trading February 12, 2015, replacing the Venezuela’s Supplementary Foreign Currency Administration System auction rate (“SICAD II”) mechanism. The SIMADI is intended to provide limited access to a free market rate of exchange. In the first quarter of 2015, we began using the SIMADI rate and recognized remeasurement charges of \$26 million and we will continue to monitor the impact on our financial statements of the evolving Venezuela exchange rate. At June 30, 2015 our net monetary asset position denominated in Venezuelan bolivar was approximately \$7 million.

In the second quarter of 2015, the Angolan kwanza devalued approximately 11% and we recognized foreign exchange related charges of \$16 million. We will continue to monitor the impact on our financial statements of the evolving Angola exchange rate. At June 30, 2015 our net monetary asset position denominated in Angolan kwanza was approximately \$124 million.

#### ***Potential Highly Inflationary Country***

The Company has noted the concerns raised by the International Monetary Fund (“IMF”) relating to the accuracy of Argentina’s officially reported consumer price index. Given the lack of verifiable information, objective sources have not observed data that would support designating Argentina as “Highly Inflationary.” The Company is closely monitoring the work of the IMF and the price index information that becomes available. As of June 30, 2015, we had a net monetary asset position denominated in Argentine pesos of \$119 million, comprised primarily of accounts receivable and current liabilities.

### **Item 4. Controls and Procedures.**

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. This information is collected and communicated to management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required disclosures. Our management, under the supervision and with the participation of our CEO and CFO, evaluated the effectiveness of the design and operation of our disclosure controls and procedures at June 30, 2015. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of June 30, 2015.

Our management identified no change in our internal control over financial reporting that occurred during the second quarter ended June 30, 2015 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II – OTHER INFORMATION

### **Item 1. Legal Proceedings.**

See “Note 16 – Disputes, Litigation and Contingencies” to our Condensed Consolidated Financial Statements included elsewhere in this report.

### **Item 1A. Risk Factors.**

An investment in our securities involves various risks. You should consider carefully all of the risk factors described in our most recent Annual Report on Form 10-K, Part I, under the heading “Item 1A. – Risk Factors” and other information included and incorporated by reference in this report. There have been no material changes in our assessment of our risk factors from those set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

### **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

### **Item 3. Defaults Upon Senior Securities.**

None.

### **Item 4. Mine Safety Disclosures.**

Not applicable.

### **Item 5. Other Information.**

None.



**Item 6. Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>	<b>Original Filed Exhibit</b>	<b>File Number</b>
10.1	Amendment No. 3 to Credit Agreement, dated June 30, 2015, with Weatherford International Ltd. (Bermuda), Weatherford International plc (Ireland), Weatherford International, LLC (Delaware), Weatherford Liquidity Management Hungary Limited Liability Company (Hungary), Weatherford Capital Management Services Limited Liability Company (Hungary), the lenders and issuing banks party thereto and JPMorgan Chase Bank, N.A., as administrative agent.	Exhibit 10.1 of the Company's Current Report on Form 8-K filed July 1, 2015	File No. 1-36504
†*10.2	Weatherford International plc 2006 Omnibus Incentive Plan (as Amended and Restated, conformed as of June 16, 2015).		
*10.3	First Amendment to Weatherford International plc 2010 Omnibus Incentive Plan.	Annex A of the Company's Definitive Proxy Statement on Schedule 14A filed April 29, 2015	File No. 1-36504
†*10.4	Form of Restricted Share Units Award Agreement (CIC - Officer) pursuant to the Weatherford International plc 2010 Omnibus Incentive Plan.		
†*10.5	Form of Restricted Share Units Award Agreement (CIC - Director) pursuant to the Weatherford International plc 2010 Omnibus Incentive Plan.		
†*10.6	Form of Performance Units Award Agreement (CIC) pursuant to the Weatherford International plc 2010 Omnibus Incentive Plan.		
†*10.7	Form of Change of Control Agreement, entered into by Christina Ibrahim on May 4, 2015.		
†31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.		
†31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.		
††32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.		
††32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.		
**101	The following materials from Weatherford International plc's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, formatted in XBRL (eXtensible Business Reporting Language): (1) the unaudited Condensed Consolidated Balance Sheets, (2) the unaudited Condensed Consolidated Statements of Operations, (3) the unaudited Condensed Consolidated Statements of Comprehensive Income (Loss), (4) the unaudited Condensed Consolidated Statements of Cash Flows, and (5) the related notes to the unaudited Condensed Consolidated Financial Statements.		

\* *Management contract or compensatory plan or arrangement.*

\*\* *Submitted pursuant to Rule 405 and 406T of Regulation S-T.*

† *Filed herewith.*

†† *Furnished herewith.*

**SIGNATURES**

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

Weatherford International plc

Date: July 24, 2015

By: /s/ Bernard J. Duroc-Danner

\_\_\_\_\_  
Bernard J. Duroc-Danner

Chief Executive Officer

(Principal Executive Officer)

Date: July 24, 2015

By: /s/ Krishna Shivram

\_\_\_\_\_  
Krishna Shivram

Executive Vice President and

Chief Financial Officer

(Principal Financial Officer)

**WEATHERFORD INTERNATIONAL PLC**

**2006 OMNIBUS INCENTIVE PLAN**

**(AS AMENDED AND RESTATED ON JUNE 17, 2014)**

**(conformed as of June 16, 2015)**

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**ARTICLE I**  
**ESTABLISHMENT, PURPOSE AND DURATION**

1.1 **Purpose of the Plan.** The Plan is intended to advance the best interests of the Company, its Affiliates and its shareholders by providing those persons who have substantial responsibility for the management and growth of the Company and its Affiliates with additional performance incentives and an opportunity to obtain or increase their proprietary interest in the Company, thereby encouraging them to continue in their employment or affiliation with the Company or its Affiliates. The Plan permits the grant of Options, SARs, Restricted Shares, RSUs, Performance Share Awards, Performance Unit Awards, Cash-Based Awards and Other Share-Based Awards. The Plan became effective on the date the Plan was originally approved by the shareholders of the Company (the “*Effective Date*”), amended and restated on June 17, 2014 and updated on June 16, 2015 to make certain technical corrections resulting from such restatement, as well as to update certain references to current Irish law.

1.2 **Duration of Plan.** The Plan shall continue indefinitely until it is terminated pursuant to Section 14.1. No ISOs may be granted under the Plan on or after the tenth anniversary of the Effective Date. The applicable provisions of the Plan will continue in effect with respect to an Award granted under the Plan for as long as such Award remains outstanding.

**ARTICLE II**  
**DEFINITIONS**

The words and phrases defined in this Article shall have the meaning set out below throughout the Plan, unless the context in which any such word or phrase appears reasonably requires a broader, narrower or different meaning.

2.1 “**Act**” means the Companies Act 2014 of Ireland.

2.2 “**Affiliate**” means any Entity that, directly or indirectly, controls, is controlled by, or is under common control with, the Company. For purposes of the preceding sentence, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the power (a) to vote more than fifty percent (50%) of the securities having ordinary voting power for the election of directors (or other governing body) of the controlled Entity, or (b) to direct or cause the direction of the management and policies of the controlled Entity, whether through the ownership of voting securities or by contract or otherwise.

2.3 “**Award**” means, individually or collectively, a grant under the Plan of Options, SARs, Restricted Shares, RSUs, Performance Share Awards, Performance Unit Awards, Other Share-Based Awards and Cash-Based Awards, in each case subject to the terms and provisions of the Plan, the consideration for which may be services rendered to the Company and/or its Affiliates.

2.4 “**Award Agreement**” means the written or electronic agreement that sets forth the terms and conditions applicable to an Award granted under the Plan.



2.5 “**Board**” means the board of directors of the Company.

2.6 “**Cash-Based Award**” means an Award granted pursuant to Article XI.

2.7 “**Code**” means the United States Internal Revenue Code of 1986, as amended from time to time.

2.8 “**Committee**” means a committee of at least two persons, who are members of the Compensation Committee of the Board and are appointed by the Compensation Committee of the Board, or, to the extent it chooses to operate as the Committee, the Compensation Committee of the Board. Each member of the Committee in respect of his or her participation in any decision with respect to an Award intended to satisfy the requirements of Section 162(m) of the Code must satisfy the requirements of “outside director” status within the meaning of Section 162(m) of the Code; provided, however, that the failure to satisfy such requirement shall not affect the validity of the action of any committee otherwise duly authorized and acting in the matter. As to Awards, grants or other transactions that are authorized by the Committee and that are intended to be exempt under Rule 16b-3 under the Exchange Act, the requirements of Rule 16b-3(d)(1) under the Exchange Act with respect to committee action must also be satisfied. For all purposes under the Plan, the Chief Executive Officer of the Company shall be deemed to be the “Committee” with respect to Awards granted by him pursuant to Section 4.1.

2.9 “**Company**” means Weatherford International plc, an Irish public limited company, or any successor thereto, or any successor or continuing Entity (by acquisition, reincorporation, merger, amalgamation, consolidation or otherwise).

2.10 “**Covered Employee**” means an Employee who is, or could be, a “covered employee” within the meaning of Section 162(m) of the Code.

2.11 “**Corporate Change**” shall have the meaning ascribed to that term in Section 4.5(c).

2.12 “**Director**” means a director of the Company who is not an Employee.

2.13 “**Disability**” means as determined by the Committee in its discretion exercised in good faith, a physical or mental condition of the Holder that would entitle him to payment of disability income payments under the Company’s long-term disability insurance policy or plan for Employees as then in effect; or in the event that the Holder is not covered, for whatever reason, under the Company’s long-term disability insurance policy or plan for Employees or in the event the Company does not maintain such a long-term disability insurance policy, “Disability” means a permanent and total disability as defined in section 22(e)(3) of the Code. A determination of Disability may be made by a physician selected or approved by the Committee and, in this respect, the Holder shall submit to an examination by such physician upon request by the Committee.

2.14 “**Dividend Equivalent**” means a payment equivalent in amount to dividends paid to the Company’s shareholders in such form and on such terms as the Committee may determine.

2.15 “**Employee**” means a person employed by the Company or any Affiliate as a common law employee.

2.16 “**Employment**” shall be deemed to refer to (a) a Holder’s employment if the Holder is an employee of the Company or any of its Affiliates, and (b) a Holder’s services as a Director, if the Holder is a Director.

2.17 “**Entity**” means any company, corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or any other entity or organization.

2.18 “**Exchange Act**” means the United States Securities Exchange Act of 1934, as amended from time to time.

2.19 “**Fair Market Value**” of the Shares as of any particular date means (a) if the Shares are traded on a stock exchange, the closing sale price of the Shares on that date as reported on the principal securities exchange on which the Shares are traded, or (b) if the Shares are traded in the over-the-counter market, the average between the high bid and low asked price on that date as reported in such over-the-counter market; provided that (i) if the Shares are not so traded, (ii) if no closing price or bid and asked prices for the Shares were so reported on that date or (iii) if, in the discretion of the Committee, another means of determining the fair market value of a Share at such date shall be necessary or advisable, the Committee may provide for another means for determining such fair market value.

2.20 “**Fiscal Year**” means the Company’s fiscal year.

2.21 “**Holder**” means a person who has been granted an Award or any person who is entitled to receive Shares or cash under an Award.

2.22 “**ISO**” means an Option that is intended to be an “incentive stock option” that satisfies the requirements of section 422 of the Code.

2.23 “**NSO**” means an Option that is intended to be a “nonqualified stock option” that does not satisfy the requirements of section 422 of the Code.

2.24 “**Option**” means an option to purchase Shares granted pursuant to Article V.

2.25 “**Option Price**” shall have the meaning ascribed to that term in Section 5.4.

2.26 “**Ordinary Share**” or “**Ordinary Shares**” means an ordinary share or ordinary shares of the Company, nominal value \$0.001 per ordinary share.

2.27 “**Other Share-Based Award**” means an equity-based or equity-related Award not otherwise described by the terms and provisions of the Plan that is granted pursuant to Article X.

2.28 “**Parent Corporation**” means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if, at the time of the action or transaction,

each of the corporations other than the Company owns Ordinary Shares possessing 50 percent or more of the total combined voting power of the Ordinary Shares in one of the other corporations in the chain.

2.29 “**Performance Goals**” means one or more of the criteria described in Section 9.2 on which the performance goals applicable to an Award are based.

2.30 “**Performance Share Award**” means an Award designated as a performance share award granted to a Holder pursuant to Article IX.

2.31 “**Performance Unit Award**” means an Award designated as a performance unit award granted to a Holder pursuant to Article IX.

2.32 “**Period of Restriction**” means the period during which Restricted Shares are subject to a substantial risk of forfeiture (or absolute right of the Company to repurchase or redeem them), whether based on the passage of time, the achievement of performance goals, or upon the occurrence of other events as determined by the Committee, in its discretion.

2.33 “**Plan**” means the Weatherford International plc 2006 Omnibus Incentive Plan, as set forth in this document as it may be amended from time to time.

2.34 “**Qualified Performance-Based Compensation**” means any compensation that is intended to be “qualified performance-based compensation” as described in Section 162(m) of the Code.

2.35 “**Restricted Shares**” means restricted Shares issued or granted under the Plan pursuant to Article VII.

2.36 “**Restricted Share Award**” means an authorization by the Committee to issue or transfer Restricted Shares to a Holder.

2.37 “**RSU**” means a restricted share unit credited to a Holder’s ledger account maintained by the Company pursuant to Article VIII.

2.38 “**RSU Award**” means an Award granted pursuant to Article VIII.

2.39 “**SAR**” means a share appreciation right granted under the Plan pursuant to Article VI.

2.40 “**Section 409A**” means section 409A of the Code and Department of Treasury rules and regulations issued thereunder.

2.41 “**Securities Act**” means the United States Securities Act of 1933, as amended from time to time.

2.42 “**Share**” or “**Shares**” means an Ordinary Share or Ordinary Shares, or, in the event that the Ordinary Shares are later changed into or exchanged for a different class of shares or

securities of the Company or another Entity, that other share or security. Shares may be represented by a certificate or by book or electronic entry.

2.43 “**Subsidiary Corporation**” means any Entity or Entities which is a subsidiary, or are subsidiaries, of the Company within the meaning of Section 7 of the Act. For purposes of granting an ISO, Subsidiary means any “subsidiary corporation” of the Company as defined in Section 424(f) of the Code and any regulations promulgated thereunder. For purposes of granting NSOs, SARs or other “stock rights,” within the meaning of Section 409A of the Code, to a U.S. Taxpayer, an entity may not be considered a Subsidiary if the Ordinary Shares will not be treated as “service recipient stock” of such entity under Section 409A of the Code. When the term “Subsidiary Corporation” is used, references to “corporation” or “corporations” shall be substituted for references to “Entity” and “Entities” each place such references appear in the preceding clause.

2.44 “**Substantial Risk of Forfeiture**” shall have the meaning ascribed to that term in section 409A of the Code and Department of Treasury guidance issued thereunder.

2.45 “**Tax-Related Items**” means (a) federal, state, and local taxes and taxes imposed by any jurisdiction (including but not limited to, income tax, social security or insurance contributions, payroll tax, fringe benefits tax, payment on account, employment tax obligations, stamp taxes, and any other taxes that may be due) required by law to be withheld and (b) any employer tax liability shifted to a Holder.

2.46 “**Ten Percent Shareholder**” means an individual who, at the time the Option is granted, owns more than ten percent of the total combined voting power of the Ordinary Shares of the Company or of any Parent Corporation or Subsidiary Corporation. An individual shall be considered as owning the shares owned, directly or indirectly, by or for his brothers and sisters (whether by the whole or half-blood), spouse, ancestors and lineal descendants; and shares owned, directly or indirectly, by or for a company, corporation, partnership, estate or trust, shall be considered as being owned proportionately by or for its shareholders, partners or beneficiaries.

2.47 “**Termination of Employment**” means, in the case of an Award other than an ISO, the termination of the Award recipient’s Employment or service relationship with the Company and all Affiliates. “Termination of Employment” means, in the case of an ISO, the termination of the Holder’s employment relationship with all of the Company, any Parent Corporation, any Subsidiary Corporation and any parent or subsidiary corporation (within the meaning of section 422(a)(2) of the Code) of any such corporation that issues or assumes an ISO in a transaction to which section 424(a) of the Code applies. The Committee will have the sole direction to determine whether and for what reason a Holder has terminated Employment or service with the Company or any Affiliate and the effective date on which the Holder terminated Employment or services with the Company or any Affiliate (the “**Termination Date**”), subject to compliance with section 409A of the Code.

2.48 “**U.S. Taxpayer**” means a person who is, or may be, subject to taxation under the laws of the United States or a political subdivision thereof.

**ARTICLE III**  
**ELIGIBILITY AND PARTICIPATION**

3.1 **Eligibility.** Except as otherwise specified in this Section 3.1, the persons who are eligible to receive Awards under the Plan are Employees and Directors of the Company or of any Affiliate. Awards other than Options, SARs, Performance Share Awards, or Performance Unit Awards may also be granted to a person who is expected to become an Employee within six months, to the extent permitted under applicable securities or exchange control laws or stock eligibility and regulations. In no event will an ISO be granted to any person other than an Employee.

3.2 **Participation.** Subject to the terms and provisions of the Plan, the Committee may, from time to time, select the persons to whom Awards shall be granted and shall determine the nature and amount of each Award. No person shall have any right to be granted an Award pursuant to the Plan.

**ARTICLE IV**  
**GENERAL PROVISIONS RELATING TO AWARDS**

4.1 **Authority to Grant Awards.** The Committee may grant Awards to those eligible persons as the Committee shall from time to time determine, under the terms and conditions of the Plan. Subject only to any applicable limitations set out in the Plan, the number of Shares or other value to be covered by any Award to be granted under the Plan shall be as determined by the Committee in its sole discretion. To the extent permitted by applicable Irish and United States law, the Committee may from time to time authorize the Chief Executive Officer or another senior officer of the Company to grant Awards, with respect to no more than 1,000,000 Shares per Fiscal Year, to eligible persons who are not officers of the Company subject to the provisions of Section 16 of the Exchange Act and as inducements to hire prospective Employees who will not be officers of the Company subject to the provisions of Section 16 of the Exchange Act. For the avoidance of doubt, provided it meets the limitations in this Section 4.1, this delegation shall include the right to grant, amend, exchange, replace, buyout, redeem, surrender, forfeit or cancel Awards as necessary to accommodate changes in the laws or regulations, including in jurisdictions outside the United States and Ireland. Any delegation shall be subject to the restrictions and limits that the Committee specifies at the time of such delegation, and the Committee may at any time rescind the authority so delegated or appoint a new delegate, and at all times, the delegate appointed under this Section 4.1 shall serve in such capacity at the pleasure of the Committee.

4.2 **Dedicated Shares; Maximum Awards.** The aggregate number of Shares with respect to which Awards may be granted under the Plan is 20 million. The aggregate number of Shares with respect to which Options may be granted under the Plan is 10 million. The maximum number of Shares with respect to which Options may be granted to an Employee or Director during a Fiscal Year is one million. The maximum number of shares with respect to which SARs may be granted to an Employee during a Fiscal Year is one million. Each of the foregoing numerical limits stated in this Section 4.2 shall be subject to adjustment in accordance with the provisions of Section 4.5. The number of Shares stated in this Section 4.2 shall also be increased by such number of Shares as become subject to substitute Awards granted pursuant to Article XII; *provided,*

*however*, that such increase shall be conditioned upon the approval of the shareholders of the Company to the extent shareholder approval is required by law or applicable stock exchange rules. If Shares are not issued or withheld from payment of an Award to satisfy tax obligations with respect to the Award, such Shares will count against the aggregate number of Shares with respect to which Awards may be granted under the Plan. If Shares are tendered in payment of an Option Price of an Option or the purchase price for Restricted Shares, RSUs, Performance Share Awards, Performance Unit Awards, Other Share-Based Awards, such Shares will not be added to the aggregate number of Shares with respect to which Awards may be granted under the Plan. To the extent that any outstanding Award is forfeited or cancelled for any reason or is settled in cash in lieu of Shares, the Shares allocable to such portion of the Award may again be subject to an Award granted under the Plan. When a SAR is settled in Shares, the number of Shares subject to the SAR under the SAR Award Agreement will be counted against the aggregate number of Shares with respect to which Awards may be granted under the Plan as one Share for every Share subject to the SAR, regardless of the number of Shares used to settle the SAR upon exercise. Notwithstanding any contrary provision in the Plan, where it is intended to be Qualified-Performance-Based Compensation, the maximum number of Shares with respect to one or more Awards that may be granted to any one Holder during any calendar year shall be two million Shares per Fiscal Year and the maximum amount that may be paid in cash during any calendar year with respect to any Award (including, without limitation, any performance-based Award) shall be \$25 million. To the extent required by Section 162(m) of the Code or the Department of Treasury regulations thereunder, in applying the foregoing limitations with respect to a Holder, if any Option or SAR is canceled, the canceled Option or SAR shall continue to count against the maximum number of Shares with respect to which Options and SARs may be granted to the Holder. For this purpose, the repricing of an Option (or in the case of a SAR, the reduction of the base amount on which the share appreciation is calculated in order to reflect a reduction in the Fair Market Value of the Ordinary Shares) shall be treated as the cancellation of the existing Option or SAR and the grant of a new Option or SAR.

**4.3 Non-Transferability.** Except as specified in the applicable Award Agreements or as otherwise determined by the Committee, an Award shall not be transferable by the Holder other than by will or under the laws of descent and distribution, and shall be exercisable, during the Holder's lifetime, only by him or her. Any attempted assignment of an Award in violation of this Section 4.3 shall be null and void. In the discretion of the Committee, any attempt to transfer an Award other than under the terms of the Plan and the applicable Award Agreement may terminate the Award. No ISO granted under the Plan may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further, all ISOs granted to an Employee under the Plan shall be exercisable during his or her lifetime only by the Employee, and after that time, by the Employee's heirs or estate.

**4.4 Requirements of Law.** The obligation of the Company to make payment of Awards in Shares or otherwise shall be subject to all applicable securities and exchange control laws, rules, and regulations of Ireland and the United States and jurisdictions outside of Ireland and United States, and to such approvals by government agencies, including government agencies in jurisdictions outside of Ireland and the United States, in each case as may be required or as the Company deems necessary or advisable. Without limiting the foregoing, the Company shall have

no obligation to issue or deliver evidence of title for Shares subject to Awards granted hereunder prior to (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, (b) completion of any registration or other qualification with respect to the Shares under any applicable securities and exchange control law in Ireland or the United States or in a jurisdiction outside of Ireland or the United States or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective, or (c) confirming, with advice of counsel, that the issuance or delivery is in compliance with all applicable securities and exchange control laws, regulations of governmental authorities and, if applicable, the requirements of any securities exchange on which the Shares are listed or traded. The Committee may require that a Holder make such reasonable covenants, agreements, and representations as the Committee, in its discretion, deems advisable to comply with applicable securities and exchange control laws, rules, and regulations of Ireland and the United States and jurisdictions outside of Ireland and United States. The Committee shall have the right to require any Holder to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Committee. The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained. The Company shall be under no obligation to register Shares issued or paid pursuant to the Plan under the Securities Act. If the Shares paid pursuant to the Plan may in certain circumstances be exempt from registration pursuant to the Securities Act, the Company may restrict the transfer of such Shares in such manner as it deems advisable to ensure the availability of any such exemption.

#### **4.5 Changes in the Company's Capital Structure.**

(a) The existence of outstanding Awards shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, any acquisition, merger, amalgamation or consolidation of the Company, any issue of bonds, debentures or Shares, including preferred or prior preference shares ahead of or affecting the Shares or Share rights, the winding up, dissolution or liquidation of the Company, any sale or transfer of all or any part of its assets or business or any other corporate act or proceeding, whether of a similar character or otherwise.

(b) If the Company shall effect a subdivision or consolidation of Shares or other capital readjustment, the payment of a Share dividend or bonus issue, or other increase or reduction of the number of Shares issued and outstanding, without receiving compensation therefor in money, services or property, then (i) the number, class or series and price per Share subject to outstanding Options or other Awards under the Plan shall be appropriately adjusted in such a manner as to entitle a Holder to receive upon exercise of an Option or other Award, for the same aggregate cash consideration, the equivalent total number and class or series of Shares the Holder would have received had the Holder exercised his or her Option or other Award in full immediately prior to the

event requiring the adjustment, and (ii) the number and class or series of Shares then reserved to be issued under the Plan shall be adjusted by substituting for the total number and class or series of Shares then reserved, that number and class or series of Shares that would have been received by the owner of an equal number of issued and Ordinary Shares of each class or series of Shares as the result of the event requiring the adjustment.

(c) If while unexercised Options or other Awards remain outstanding under the Plan (i) the Company shall not be the surviving Entity in any acquisition, merger, amalgamation, consolidation, reorganization or other similar transaction (or survives only as a subsidiary of an Entity), (ii) the Company sells, leases or exchanges or agrees to sell, lease or exchange all or substantially all of its assets to any other person or Entity (other than an Entity wholly-owned by the Company), (iii) the Company is to be wound up or dissolved or (iv) the Company is a party to any other corporate transaction (as defined under section 424(a) of the Code and applicable Department of Treasury regulations) that is not described in clauses (i), (ii) or (iii) of this sentence (each such event is referred to herein as a “**Corporate Change**”), then, except as otherwise provided in an Award Agreement or another agreement between the Holder and the Company, or as a result of the Committee’s effectuation of one or more of the alternatives described below, there shall be no acceleration of the time at which any Award then outstanding may be exercised, and no later than ten days after any approval by the shareholders of the Company of such Corporate Change, the Committee, acting in its sole and absolute discretion without the consent or approval of any Holder, subject to applicable law, shall act to effect one or more of the following alternatives, which may vary among individual Holders and which may vary among Awards held by any individual Holder (provided that, with respect to a reincorporation, merger or amalgamation in which Holders of the Company’s Ordinary Shares will receive one Ordinary Share of the successor or continuing Entity for each Ordinary Share of the Company, none of such alternatives shall apply and, without Committee action, each Award shall automatically convert into a similar award of the successor or continuing Entity exercisable for the same number of Ordinary Shares of the successor as the Award was exercisable for Ordinary Shares of the Company):

(1) accelerate the time at which some or all of the Awards then outstanding may be exercised so that such Awards may be exercised in full for a limited period of time on or before a specified date fixed by the Committee, after which specified date all such Awards that remain unexercised and all rights of Holders thereunder shall terminate;

(2) require the mandatory surrender to the Company by all or selected Holders of some or all of the then outstanding Awards held by such Holders (irrespective of whether such Awards are then exercisable under the provisions of the Plan or the applicable Award Agreement evidencing such Award) as of a date specified by the Committee, in which event the Committee shall thereupon cancel such Award and the Company shall pay to each such Holder an amount of cash per share equal to the excess, if any, of the per share price offered to shareholders of the Company in connection with such Corporate Change over the exercise prices under such Award for such shares;

(3) with respect to all or selected Holders, have some or all of their then outstanding Awards (whether vested or unvested) assumed or have a new award of a similar nature



substituted for some or all of their then outstanding Awards under the Plan (whether vested or unvested) by an Entity which is a party to the transaction resulting in such Corporate Change and which is then employing such Holder or which is affiliated or associated with such Holder in the same or a substantially similar manner as the Company prior to the Corporate Change, or a parent or subsidiary of such Entity, provided that (A) such assumption or substitution is on a basis where the excess of the aggregate fair market value of the Shares subject to the Award immediately after the assumption or substitution over the aggregate exercise price of such Shares are equal to the excess of the aggregate fair market value of all Shares subject to the Award immediately before such assumption or substitution over the aggregate exercise price of such Shares, and (B) the assumed rights under such existing Award or the substituted rights under such new Award, as the case may be, will have the same terms and conditions as the rights under the existing Award assumed or substituted for, as the case may be;

(4) provide that the number and class or series of Shares covered by an Award (whether vested or unvested) theretofore granted shall be adjusted so that such Award when exercised shall thereafter cover the number and class or series of Shares or other securities or property (including, without limitation, cash) to which the Holder would have been entitled pursuant to the terms of the agreement or plan relating to such Corporate Change if, immediately prior to such Corporate Change, the Holder had been the holder of record of the number of Shares then covered by such Award; or

(5) make such adjustments to Awards then outstanding as the Committee deems appropriate to reflect such Corporate Change (provided, however, that the Committee may determine in its sole and absolute discretion that no such adjustment is necessary). Any adjustment affecting an Award intended as Qualified Performance-Based Compensation shall be made consistent with the requirements of Section 162(m) of the Code. Any adjustment affecting an Award that is subject to Section 409A of the Code shall be made consistent with the requirements of Section 409A. An adjustment under this provision may have the effect of reducing the price at which Ordinary Shares may be acquired to less than their nominal value (the “**Shortfall**”), but only if and to the extent that the Committee shall be authorized to capitalize from the reserves of the Company a sum equal to the Shortfall and to apply that sum in paying up that amount on the Ordinary Shares.

In effecting one or more of the alternatives set out in paragraphs (3), (4) or (5) immediately above, and except as otherwise may be provided in an Award Agreement, the Committee, in its sole and absolute discretion and without the consent or approval of any Holder, subject to applicable law and Section 409A of the Code, may accelerate the time at which some or all Awards then outstanding may be exercised.

(d) In the event of changes in the issued and outstanding Shares by reason of recapitalizations, reorganizations, mergers, amalgamations, consolidations, combinations, subdivisions, exchanges or other relevant changes in capitalization occurring after the date of the grant of any Award and not otherwise provided for by this Section 4.5, any outstanding Award and any Award Agreement evidencing such Award shall be subject to adjustment by the Committee in its sole and absolute discretion as to the number and price of Shares or other consideration subject to such Award. In the event of any such change in the issued and outstanding Shares, the aggregate

number of Shares available under the Plan may be appropriately adjusted by the Committee, whose determination shall be conclusive.

(e) After (i) the acquisition of the Company by an Entity, (ii) the merger of one or more Entities into the Company or (iii) a consolidation or amalgamation of the Company and one or more Entities in which the Company shall be the surviving Entity, each Holder shall be entitled to have his Restricted Shares appropriately adjusted based on the manner in which the Shares were adjusted under the terms of the agreement of acquisition, merger, amalgamation or consolidation.

(f) The issuance by the Company of shares of any class or series, or securities convertible into, or exchangeable for, shares of any class or series, for cash or property, or for labor or services either upon direct sale or upon the exercise of rights or warrants to subscribe for them, or upon conversion or exchange of shares or obligations of the Company convertible into, or exchangeable for, shares or other securities, shall not affect, and no adjustment by reason of such issuance shall be made with respect to, the number, class or series, or price of Shares then subject to outstanding Options or other Awards.

**4.6 Election Under Section 83(b) of the Code.** No Holder shall exercise the election permitted under section 83(b) of the Code with respect to any Award without the written approval of the Chief Financial Officer or General Counsel of the Company. Any Holder who makes an election under section 83(b) of the Code with respect to any Award without the written approval of the Chief Financial Officer or General Counsel of the Company may, in the discretion of the Committee, forfeit any or all Awards granted to him or her under the Plan (including by way of an absolute right of the Company to purchase or obligate the transfer of any issued Shares or rights to subscribe therefore for such consideration, if any, as the Committee may determine in its sole discretion).

**4.7 Forfeiture for Cause.** Notwithstanding any other provision of the Plan or an Award Agreement, if the Committee finds by a majority vote that a Holder, before or after his Termination of Employment (a) committed fraud, embezzlement, theft, felony or an act of dishonesty in the course of his employment by the Company or an Affiliate which conduct damaged the Company or an Affiliate or (b) disclosed trade secrets of the Company or an Affiliate, then as of the date the Committee makes its finding, any Awards awarded to the Holder that have not been exercised by the Holder (including all Awards that have not yet vested) will be forfeited to the Company (including by way of an absolute right of the Company to purchase, redeem or obligate the transfer of any issued Shares or rights to subscribe therefore for such consideration, if any, as the Committee may determine in its sole discretion). The findings and decision of the Committee with respect to such matter, including those regarding the acts of the Holder and the damage done to the Company, will be final for all purposes. No decision of the Committee, however, will affect the finality of the discharge of the individual by the Company or an Affiliate.

**4.8 Forfeiture Events.** The Committee may specify in an Award Agreement that the Holder's rights, payments, and benefits with respect to an Award shall be subject to reduction, redemption, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such

events may include, but shall not be limited to, Termination of Employment for cause, termination of the Holder's provision of services to the Company or its Affiliates, violation of material policies of the Company and its Affiliates, breach of noncompetition, confidentiality, or other restrictive covenants that may apply to the Holder, or other conduct by the Holder that is detrimental to the business or reputation of the Company and its Affiliates.

**4.9 Award Agreements.** The Award Agreement shall be signed by an executive officer of the Company, other than the Holder, on behalf of the Company, and may be signed by the Holder to the extent required by the Committee. The Award Agreement may specify the effect of a change in control on the Award. The Award Agreement may contain any other provisions that the Committee in its discretion shall deem advisable which are not inconsistent with the terms and provisions of the Plan, including but not limited to any country-specific terms and conditions of the Awards.

**4.10 Amendments of Award Agreements.** The terms of any outstanding Award under the Plan may be amended from time to time by the Committee, or an authorized delegate, in its discretion in any manner that it deems appropriate and that is consistent with the terms of the Plan. However, no such amendment shall adversely affect in a material manner any right of a Holder without his or her written consent. Except as specified in Section 4.5(b), the Committee may not directly or indirectly lower the exercise price of a previously granted Option or the grant price of a previously granted SAR.

**4.11 Rights as Shareholder.** A Holder shall not have any rights as a shareholder with respect to Shares covered by an Option, a SAR, an RSU, a Performance Share Unit, or an Other Share-Based Award until the date, if any, such Shares are issued by the Company; and, except as otherwise provided in Section 4.5, no adjustment for dividends, or otherwise, shall be made if the record date therefor is prior to the date of issuance of such Shares.

**4.12 Issuance of Shares.** Shares, when issued, may be represented by a certificate or by book or electronic entry.

**4.13 Restrictions on Shares Received.** Subject to applicable Irish, United States or other applicable laws, the Committee may impose such conditions and/or restrictions on any Shares issued pursuant to an Award as it may deem necessary or advisable for legal or administrative reasons. These restrictions may include, but shall not be limited to, a requirement that the Holder hold the Shares for a specified period of time.

**4.14 Compliance With Section 409A.** The Plan and all Awards made hereunder shall be interpreted, construed and operated to reflect the intent of the Company that all aspects of the Plan and the Awards shall be interpreted either to be exempt from the provisions of Section 409A of the Code or, to the extent subject to Section 409A of the Code, comply with Section 409A of the Code and any regulations and other guidance thereunder. This Plan or an Award may be amended at any time, without the consent of any party, to avoid the application of Section 409A of the Code in a particular circumstance or that is necessary or desirable to satisfy any of the requirements under Section 409A of the Code, but the Company shall not be under any obligation to make any such amendment. The exercisability of an Option shall not be extended to the extent

that such extension would subject the Holder to additional taxes under Section 409A for options that become earned and vested on or after January 1, 2005. Notwithstanding other provisions of the Plan or any Award Agreements thereunder, no Award shall be granted, deferred, accelerated, extended, paid out or modified under this Plan in a manner that would be expected to result in the imposition of an additional tax under Section 409A upon a Holder. In the event that it is reasonably determined by the Committee that, as a result of Section 409A, payments in respect of any Award under the Plan may not be made at the time contemplated by the terms of the Plan or the relevant Award Agreement, as the case may be, without causing the Holder of such Award to be subject to taxation under Section 409A, the Company will make such payment on the first day that would not result in the Holder incurring any tax liability under Section 409A. Anything contrary in this Plan notwithstanding, if an Award constitutes an item of deferred compensation under Section 409A of the Code and becomes payable by reason of a Holder's Termination of Employment, it shall not be paid to the Holder unless the Holder's Termination of Employment constitutes a "separation from service" (within the meaning of Section 409A of the Code and any regulations or other guidance thereunder). In addition, no such payment or distribution shall be made to the Holder prior to the earlier of (a) the expiration of the six month period measured from the date of the Holder's separation from service or (b) the date of the Holder's death, if the Holder is deemed at the time of such separation from service to be a "specified employee" (within the meaning of Section 409A of the Code and any regulations or other guidance thereunder) and to the extent such delayed commencement is otherwise required in order to avoid a prohibited distribution under Section 409A of the Code and any regulations or other guidance thereunder. Except as provided in an Award Agreement, all payments which had been delayed pursuant to the immediately preceding sentence shall be paid to the Holder in a lump sum upon expiration of such six month period (or, if earlier, upon the Holder's death).

## **ARTICLE V OPTIONS**

5.1 **Authority to Grant Options.** Subject to the terms and provisions of the Plan, the Committee, at any time, and from time to time, may grant Options under the Plan to eligible persons in such number and upon such terms as the Committee shall determine.

5.2 **Type of Options Available.** Options granted under the Plan may be NSOs or ISOs.

5.3 **Option Agreement.** Each Option grant under the Plan shall be evidenced by an Award Agreement that shall specify (a) whether the Option is intended to be an ISO or an NSO, (b) the Option Price, (c) the duration of the Option, (d) the number of Shares to which the Option pertains, (e) the exercise restrictions applicable to the Option and (f) such other provisions as the Committee shall determine that are not inconsistent with the terms and provisions of the Plan. Notwithstanding the designation of an Option as an ISO in the applicable Option Agreement, to the extent the limitations of Section 5.9 of the Plan are exceeded with respect to the Option, the portion of the Option in excess of the limitation shall be treated as a NSO.

5.4 **Option Price.** The price at which Shares may be purchased under an Option (the "**Option Price**") shall not be less than the higher of one hundred percent (100%) of the Fair Market Value of the Shares on the date the Option is granted or the nominal value. However, in the case

of a Ten Percent Shareholder, the Option Price for an ISO shall not be less than one hundred and ten percent (110%) of the Fair Market Value of the Shares on the date the ISO is granted. Subject to the limitations set forth in the preceding sentences of this Section 5.4, the Committee shall determine the Option Price for each grant of an Option under the Plan.

**5.5 Duration of Option.** An Option shall not be exercisable after the earlier of (a) the general term of the Option specified in the applicable Award Agreement (which shall not exceed ten years) or (b) the period of time specified in the applicable Award Agreement that follows the Holder's Termination of Employment or severance of affiliation relationship with the Company. Unless the applicable Award Agreement specifies a shorter term, in the case of an ISO granted to a Ten Percent Shareholder, the Option shall expire on the fifth anniversary of the date the Option is granted.

#### **5.6 Exercise of Option.**

(a) **General Method of Exercise.** Subject to the terms and provisions of the Plan and the applicable Award Agreement, Options may be exercised in whole or in part from time to time by the delivery of written notice in the manner designated by the Committee stating (i) that the Holder wishes to exercise such Option on the date such notice is so delivered, (ii) the number of Shares with respect to which the Option is to be exercised and (iii) the address to which any certificate representing such Shares should be mailed. The Committee shall determine the methods by which the Option Price or an Option and applicable withholding of Tax-Related Items may be paid and the form of payment, as shall be set forth in the Award Agreement, including, without limitation: (1) cash, certified check, bank draft or postal or express money order for an amount equal to the Option Price under the Option, (2) an election to make a cashless exercise through a registered broker-dealer (if approved in advance by the Committee or an executive officer of the Company) or (3) any other form of payment which is acceptable to the Committee (including net-settlement in Shares) pursuant to which the number of Shares issuable upon exercise of the Option shall be reduced by the largest whole number of Shares having an aggregate Fair Market Value that does not exceed the aggregate Option Price (plus Tax-Related Items withholdings, if applicable) and any remaining balance of the aggregate Option Price (and/or applicable Tax-Related Items withholdings) not satisfied by such reduction in the number of whole Shares to be issued shall be paid by Holder in cash or other form of payment approved by the Committee.) which is acceptable to the Committee. Under no circumstances may net-settlement be used to pay the nominal value for any Shares. Notwithstanding any contrary provision of the Plan, no Holder who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to pay the Option Price of an Option, or continue any extension of credit with respect to the Option Price of an Option with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

(b) **Exercise Through Third-Party Broker.** The Committee may permit or require a Holder to pay the Option Price and any applicable Tax-Related Items resulting from such exercise by authorizing a third-party broker to sell all or a portion of the Shares acquired upon exercise of the Option and remit to the Company a sufficient portion of the sale proceeds to pay the Option Price and any applicable Tax-Related Items resulting from such exercise.

5.7 **Notification of Disqualifying Disposition.** If any Holder shall make any disposition of Shares issued pursuant to the exercise of an ISO under the circumstances described in section 421(b) of the Code (relating to certain disqualifying dispositions), such Holder shall notify the Company of such disposition within ten days thereof.

5.8 **No Rights as Shareholder.** A Holder shall not have any rights as a shareholder with respect to Shares covered by an Option until the date such Shares are issued by the Company; and, except as otherwise provided in Section 4.5, no adjustment for dividends, or otherwise, shall be made if the record date therefor is prior to the date of issuance of such shares.

5.9 **\$100,000 Limitation on ISOs.** To the extent that the aggregate Fair Market Value of Shares with respect to which ISOs first become exercisable by a Holder in any calendar year exceeds \$100,000, taking into account both Shares subject to ISOs under the Plan and Shares subject to ISOs under all other plans of the Company, such Options shall be treated as NSOs. For this purpose, the "**Fair Market Value**" of the Shares subject to Options shall be determined as of the date the Options were awarded. In reducing the number of Options treated as ISOs to meet the \$100,000 limit, the most recently granted Options shall be reduced first. To the extent a reduction of simultaneously granted Options is necessary to meet the \$100,000 limit, the Committee may, in the manner and to the extent permitted by law, designate which Shares are to be treated as shares acquired pursuant to the exercise of an ISO.

## **ARTICLE VI SHARE APPRECIATION RIGHTS**

6.1 **Authority to Grant SAR Awards.** Subject to the terms and provisions of the Plan, the Committee, at any time, and from time to time, may grant SARs under the Plan to eligible persons in such number and upon such terms as the Committee shall determine. Subject to the terms and conditions of the Plan, the Committee shall have complete discretion in determining the number of SARs granted to each Holder and, consistent with the provisions of the Plan, in determining the terms and conditions pertaining to such SARs.

6.2 **General Terms.** Subject to the terms and conditions of the Plan, a SAR granted under the Plan shall confer on the recipient a right to receive, upon exercise thereof, an amount equal to the excess of (a) the Fair Market Value of one Share on the date of exercise over (b) the grant price of the SAR, which shall not be less than one hundred percent (100%) of the Fair Market Value of one Share on the date of grant of the SAR.

6.3 **SAR Agreement.** Each Award of SARs granted under the Plan shall be evidenced by an Award Agreement that shall specify (a) the grant price of the SAR, (b) the term of the SAR, (c) the vesting and termination provisions of the SAR and (d) such other provisions as the Committee shall determine that are not inconsistent with the terms and provisions of the Plan. The Committee may impose such additional conditions or restrictions on the exercise of any SAR as it may deem appropriate.

6.4 **Term of SAR.** The term of a SAR granted under the Plan shall be determined by the Committee, in its sole discretion; provided that no SAR shall be exercisable on or after the tenth anniversary date of its grant.

6.5 **Exercise of SAR.** A SAR may be exercised upon whatever terms and conditions the Committee, in its sole discretion, imposes, provided, however, the exercise price per Share shall be no less than the higher of (a) one hundred percent (100%) of the Fair Market Value per Share and (b) the nominal value of the Shares or such higher price as required by Irish law on the date of grant of the SAR.

6.6 **Payment of SAR Amount.** Upon the exercise of a SAR, a Holder shall be entitled to receive payment from the Company in an amount determined by multiplying the excess of the Fair Market Value of a Share on the date of exercise over the grant price of the SAR by the number of Shares with respect to which the SAR is exercised. At the discretion of the Committee, the payment upon SAR exercise may be in cash, in Shares of equivalent value, in some combination thereof or in any other manner approved by the Committee in its sole discretion. The Committee's determination regarding the form of SAR payout shall be set forth in the Award Agreement pertaining to the grant of the SAR.

6.7 **Termination of Employment.** Each Award Agreement shall set forth the extent to which the Holder of a SAR shall have the right to exercise the SAR following the Holder's Termination of Employment. Such provisions shall be determined in the sole discretion of the Committee, may be included in the Award Agreement entered into with the Holder, need not be uniform among all SARs issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination.

## **ARTICLE VII RESTRICTED SHARE AWARDS**

7.1 **Restricted Share Awards.** The Committee may make Awards of Restricted Shares to eligible persons selected by it. The amount of, the vesting and the transferability restrictions applicable to any Restricted Share Award shall be determined by the Committee in its sole discretion. If the Committee imposes vesting or transferability restrictions on a Holder's rights with respect to Restricted Shares, the Committee may issue such instructions to the Company's share transfer agent in connection therewith as it deems appropriate. The Committee may also cause any certificate for Shares issued pursuant to a Restricted Share Award to be imprinted with any legend which counsel for the Company considers advisable with respect to the restrictions or, should the Shares be represented by book or electronic entry rather than a certificate, the Company may take such steps to restrict transfer of the Shares as counsel for the Company considers necessary or advisable to comply with applicable law.

7.2 **Restricted Share Award Agreement.** Each Restricted Share Award shall be evidenced by an Award Agreement that contains any vesting, transferability restrictions and other provisions as the Committee may specify.

7.3 **Purchase Price.** At the time of the grant of Restricted Share Award, the Committee shall determine the price, if any, to be paid by the Holder for each Share subject to the Restricted Share Award. The price to be paid by the Holder for each Share subject to the Restricted Shares shall not be less than the nominal value of a Share (or such higher amount required by applicable Irish law). The purchase price of Shares acquired pursuant to Restricted Share Award shall be paid or redeemed by a non-Irish incorporated Subsidiary on behalf of the Holder designated by the Committee or by the Holder through one or more of the following methods (a) in cash or (b) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with applicable Irish law.

7.4 **Holder's Rights as Shareholder.** Subject to the terms and conditions of the Plan, each recipient of a Restricted Share Award shall have all the rights of a shareholder with respect to any issued Restricted Shares included in the Restricted Share Award during the Period of Restriction established for the Restricted Share Award. Dividends paid with respect to Restricted Shares in cash or property other than Shares or rights to acquire Shares or bonus issues shall be paid to the recipient of the Restricted Share Award currently. Dividends paid in Shares or rights to acquire Shares shall be added to and become a part of the Restricted Shares. During the Period of Restriction, certificates representing the Restricted Shares shall be registered in the Holder's name and bear a restrictive legend to the effect that ownership of such Restricted Shares, and the enjoyment of all rights appurtenant thereto, are subject to the restrictions, terms, and conditions provided in the Plan and the applicable Award Agreement. Such certificates shall be deposited by the recipient with the Secretary of the Company or such other officer of the Company as may be designated by the Committee, together with all share transfer forms or other instruments of assignment, each endorsed in blank, which will permit transfer to or purchase or redemption by the Company of all or any portion of the Restricted Shares which shall be forfeited in accordance with the Plan and the applicable Award Agreement.

## **ARTICLE VIII RESTRICTED SHARE UNIT AWARDS**

8.1 **Authority to Grant RSU Awards.** Subject to the terms and provisions of the Plan, the Committee, at any time, and from time to time, may grant RSU Awards under the Plan to eligible persons in such amounts and upon such terms as the Committee shall determine. The amount of, the vesting and the transferability restrictions applicable to any RSU Award shall be determined by the Committee in its sole discretion. The Committee shall maintain a bookkeeping ledger account that reflects the number of RSUs credited under the Plan for the benefit of a Holder.

8.2 **RSU Award.** An RSU Award shall be similar in nature to a Restricted Share Award except that no Shares are actually issued or transferred to the Holder until a later date specified in the applicable Award Agreement. Each RSU shall have a value equal to the Fair Market Value of a Share.

8.3 **RSU Award Agreement.** Each RSU Award shall be evidenced by an Award Agreement that contains any Substantial Risk of Forfeiture, transferability restrictions, form and time of payment provisions and other provisions not inconsistent with the Plan as the Committee may specify.



**8.4 Purchase Price.** At the time of the grant of each RSU Award, the Committee shall determine the price, if any, to be paid by the Holder for each Share subject to the RSU Award. The price to be paid by the Holder for each Share subject to the RSU Award shall not be less than the nominal value of a Share (or such higher amount required by applicable Irish law). The purchase price of Share acquired pursuant to the RSU Award shall be paid by a non-Irish incorporated Subsidiary on behalf of the Holder as designated by the Committee or by the Holder through one or more of the following methods (a) in cash or (b) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with applicable Irish law.

**8.5 Dividend Equivalents.** An Award Agreement for an RSU Award may specify that the Holder shall be entitled to receive, currently or on a deferred basis, a Dividend Equivalent, cash, Shares or other property with respect to the number of Shares covered by the RSU Award, as determined by the Committee, in its sole discretion. The right of U.S. Taxpayers to receive Dividend Equivalents or other dividends or payments shall be treated as a separate Award and such Dividend Equivalents or other dividends or payments for such U.S. Taxpayers, if any, shall be credited to a notional account maintained by the Company or paid, as of the dividend payment dates during the period between the date of grant and the date the Award is exercised, vested, expired, credited or paid, as applicable and shall be subject to such limitations as may be determined by the Committee. If the Award is a performance-based Award, the Dividend Equivalents will be subject to the same performance conditions of the Award and the Holder shall not be entitled to such Dividend Equivalents unless the performance conditions of the Award have been met. The Committee may provide that such amounts and Dividend Equivalents (if any) shall be deemed to have been reinvested in additional Shares or otherwise reinvested and may provide that such amounts and Dividend Equivalents are subject to the same vesting conditions as the underlying Award.

**8.6 Form of Payment Under RSU Award.** Payment under an RSU Award shall be made in either cash or Shares, or any combination thereof, as specified in the applicable Award Agreement.

**8.7 Time of Payment Under RSU Award.** A Holder's payment under an RSU Award shall be made at such time as is specified in the applicable Award Agreement. The Award Agreement shall specify that the payment will be made (a) by a date that is no later than the date that is two and one-half months after the end of the Fiscal Year in which the RSU Award payment is no longer subject to a Substantial Risk of Forfeiture or (b) at a time that is permissible under Section 409A.

**8.8 No Rights as Shareholder.** Each recipient of a RSU Award shall have no rights of a shareholder with respect to any Shares underlying such RSUs until such date as the underlying Shares are issued.

**ARTICLE IX**  
**PERFORMANCE SHARE AWARDS AND PERFORMANCE UNIT AWARDS**

9.1 **Authority to Grant Performance Share Awards and Performance Unit Awards.** Subject to the terms and provisions of the Plan, the Committee, at any time, and from time to time, may grant Performance Share Awards and Performance Unit Awards under the Plan to eligible persons in such amounts and upon such terms as the Committee shall determine. The amount of, the vesting and the transferability restrictions applicable to any Performance Share Award or Performance Unit Award shall be based upon the attainment of such Performance Goals as the Committee may determine. If the Committee imposes vesting or transferability restrictions on a Holder's rights with respect to Performance Share or Performance Unit Awards, the Committee may issue such instructions to the Company's share transfer agent in connection therewith as it deems appropriate. The Committee may also cause any certificate for Shares issued pursuant to a Performance Share or Performance Unit Award to be imprinted with any legend which counsel for the Company considers advisable with respect to the restrictions or, should the Shares be represented by book or electronic entry rather than a certificate, the Company may take such steps to restrict transfer of the Shares as counsel for the Company considers necessary or advisable to comply with applicable law.

9.2 **Section 162(m).** The Committee may, in its sole discretion, grant Performance Share Awards and Performance Unit Awards that are either intended to be Qualified Performance-Based Compensation or are not intended to so qualify. To the extent that a Performance Share Award or Performance Unit Award is intended to be Qualified Performance-Based Compensation, such Award and the corresponding Performance Goals shall meet the requirements set forth in clause (a) through (c) below. To the extent that a Performance Share Award or Performance Unit Award is not intended to be Qualified Performance-Based Compensation, such Award and the corresponding Performance Goals shall meet the requirements set forth in clauses (a) and (c) below, except that the Performance Goals may be based on other quantifiable business criteria and except as otherwise provided in an Award Agreement.

(a) **Performance Goals.** A Performance Goal must be objective such that a third party having knowledge of the relevant facts could determine whether the goal is met. Such a Performance Goal may be based on one or more business criteria that apply to the Holder, one or more business units of the Company, or the Company as a whole, with reference to one or more of the following: earnings per share, total shareholder return, cash return on capitalization, increased revenue, revenue ratios (per employee or per customer), net income, share price, market share, return on equity, return on assets, return on capital, return on capital compared to cost of capital, return on capital employed, return on invested capital, shareholder value, net cash flow, operating income, earnings before interest and taxes, cash flow, cash flow from operations, cost reductions and cost ratios. Goals may also be based on performance relative to a peer group of companies. Unless otherwise stated, such a Performance Goal need not be based upon an increase or positive result under a particular business criterion and could include, for example, maintaining the status quo or limiting economic losses (measured, in each case, by reference to specific business criteria). Performance Goals may be determined by including or excluding, in the Committee's discretion, items that are determined to be extraordinary, unusual in nature, infrequent in occurrence, related

to the disposal or acquisition of a segment of a business, or related to a change in accounting principal, in each case, based on Opinion No. 30 of the Accounting Principles Board (APB Opinion No. 30) or other applicable accounting rules, or consistent with Company accounting policies and practices in effect on the date the Performance Goal is established. In interpreting Plan provisions applicable to Performance Goals and Performance Shares or Performance Unit Awards, it is intended that the Plan will conform with the standards of Section 162(m) of the Code and Treasury Regulations § 1.162-27(e)(2)(i), and the Committee in establishing such goals and interpreting the Plan shall be guided by such provisions. Prior to the payment of any compensation based on the achievement of Performance Goals, the Committee must certify in writing that applicable Performance Goals and any of the material terms thereof were, in fact, satisfied. Subject to the foregoing provisions, the terms, conditions and limitations applicable to any Performance Shares or Performance Unit Awards made pursuant to the Plan shall be determined by the Committee.

(b) **Time of Establishment of Performance Goals.** A Performance Goal for a particular Performance Share Award or Performance Unit Award must be established by the Committee prior to the earlier to occur of (i) 90 days after the commencement of the period of service to which the Performance Goal relates or (ii) the lapse of twenty-five percent (25%) of the period of service, and in any event while the outcome is substantially uncertain (such earlier date, the “**Performance Goal Establishment Date**”).

(c) **Increases Prohibited.** None of the Committee or the Board may increase the amount of compensation payable under a Performance Share Award or Performance Unit Award.

9.3 **Written Agreement.** Each Performance Share Award or Performance Unit Award shall be evidenced by an Award Agreement that contains any vesting, transferability restrictions and other provisions not inconsistent with the Plan as the Committee may specify.

9.4 **Purchase Price.** At the time of the grant of the Performance Share Award or Performance Unit Award, the Committee shall determine the price, if any, to be paid by the Holder for each Share subject to the Performance Share Award or Performance Unit Award. The price to be paid by the Holder for each Share subject to the Performance Share Award or Performance Unit Award shall not be less than the nominal value of a Share (or such higher amount required by applicable Irish law). The purchase price of Shares acquired pursuant to the Performance Share Award or Performance Unit Award shall be paid or redeemed by a non-Irish incorporated Subsidiary on behalf of the Holder as designated by the Committee or by the Holder through one or more of the following methods (a) in cash or (b) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with applicable Irish law.

9.5 **Form of Payment Under Performance Unit Award.** Payment under a Performance Unit Award shall be made in cash and/or Shares as specified in the Holder’s Award Agreement.

9.6 **Time of Payment Under Performance Unit Award.** A Holder’s payment under a Performance Unit Award shall be made at such time as is specified in the applicable Award Agreement. The Award Agreement shall specify that the payment will be made (a) by a date that is no later than the date that is two and one-half months after the end of the calendar year in which

the Performance Unit Award payment is no longer subject to a Substantial Risk of Forfeiture or (b) at a time that is permissible under Section 409A.

**9.7 Holder's Rights as Shareholder With Respect to Performance Awards.** Unless otherwise set forth in an Award Agreement, each Holder of a Performance Share Award shall have all the rights of a shareholder with respect to the Shares issued to the Holder pursuant to the Award during any period in which such issued Shares are subject to forfeiture (whether by purchase or redemption) and restrictions on transfer, including without limitation, the right to vote such Shares. Each Holder of a Performance Unit Award shall have no rights of a shareholder with respect to any Shares underlying such Performance Unit Award until such date as the underlying Shares are issued.

**9.8 Shareholder Approval.** No issuances of Shares or payments of cash will be made pursuant to this Article IX unless the shareholder approval requirements of Department of Treasury Regulation section 1.162-27(e)(4) are satisfied.

## **ARTICLE X OTHER SHARE-BASED AWARDS**

**10.1 Authority to Grant Other Share-Based Awards.** The Committee may grant to eligible persons other types of equity-based or equity-related Awards not otherwise described by the terms and provisions of the Plan (including, subject to applicable law, the grant or offer for sale of unrestricted Shares) in such amounts and subject to such terms and conditions, as the Committee shall determine. Such Awards may involve the issue or transfer of Shares to Holders, or payment in cash or otherwise of amounts based on the value of Shares and may include, without limitation, Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States.

**10.2 Value of Other Share-Based Award.** Each Other Share-Based Award shall be expressed in terms of Shares or units based on Shares, as determined by the Committee.

**10.3 Purchase Price.** At the time of the Share-Based Award, the Committee shall determine the price, if any, to be paid by the Holder for each Share subject to the Share-Based Award. The price to be paid by the Holder for each Share subject to the Share-Based Award shall not be less than the nominal value of a Share (or such higher amount required by applicable Irish law). The purchase price of Shares acquired pursuant to the Share-Based Award shall be paid by a non-Irish incorporated Subsidiary on behalf of the Holder as designated by the Committee or by the Holder through one or more of the following methods (i) in cash or (ii) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with applicable Irish law.

**10.4 Payment of Other Share-Based Award.** Payment, if any, with respect to an Other Share-Based Award shall be made in accordance with the terms of the Award, in cash or Shares or any combination thereof as the Committee determines.

10.5 **Termination of Employment.** The Committee shall determine the extent to which a Holder's rights with respect to Other Share-Based Awards shall be affected by the Holder's Termination of Employment. Such provisions shall be determined in the sole discretion of the Committee and need not be uniform among all Other Share-Based Awards issued pursuant to the Plan.

## **ARTICLE XI CASH-BASED AWARDS**

11.1 **Authority to Grant Cash-Based Awards.** Subject to the terms and provisions of the Plan, the Committee, at any time, and from time to time, may grant Cash-Based Awards under the Plan to eligible persons in such amounts and upon such terms as the Committee shall determine.

11.2 **Value of Cash-Based Award.** Each Cash-Based Award shall specify a payment amount or payment range as determined by the Committee.

11.3 **Payment of Cash-Based Award.** Payment, if any, with respect to a Cash-Based Award shall be made in accordance with the terms of the Award, in cash.

11.4 **Termination of Employment.** The Committee shall determine the extent to which a Holder's rights with respect to Cash-Based Awards shall be affected by the Holder's Termination of Employment. Such provisions shall be determined in the sole discretion of the Committee and need not be uniform among all Cash-Based Awards issued pursuant to the Plan.

## **ARTICLE XII SUBSTITUTION AWARDS**

Awards may be granted under the Plan from time to time in substitution for share options and other awards held by employees of other Entities who are about to become Employees, or whose employer is about to become an Affiliate as the result of a merger, amalgamation or consolidation of the Company with another Entity, or the acquisition by the Company of substantially all the assets of another Entity, or the acquisition by the Company of at least fifty percent (50%) of the issued and outstanding stock, shares or securities of another Entity as the result of which such other Entity will become an Affiliate of the Company. The terms and conditions of the substitute Awards so granted may vary from the terms and conditions set forth in the Plan to such extent as the Committee at the time of grant may deem appropriate to conform, in whole or in part, to the provisions of the Award in substitution for which they are granted.

## **ARTICLE XIII ADMINISTRATION**

13.1 **Awards.** The Plan shall be administered by the Committee or, in the absence of the Committee, the Plan shall be administered by the Board. The members of the Committee shall serve at the discretion of the Board. The Committee shall have full power and authority to administer the Plan and to take all actions that the Plan expressly contemplates or are necessary

or appropriate in connection with the administration of the Plan with respect to Awards granted under the Plan. The Board shall administer the Plan with respect to the grant of Awards to Directors.

**13.2 Authority of the Committee.** The Committee may adopt its own rules of procedure. A majority of the members of the Committee shall constitute a quorum for the transaction of business, and the vote of a majority of those members present at any meeting or taken without a meeting shall decide any question brought before that meeting. Any decision or determination reduced to writing and signed by a majority of the members shall be as effective as if it had been made by a majority vote at a meeting properly called and held. All questions of interpretation and application of the Plan, or as to Awards granted under the Plan, shall be subject to the determination, which shall be final and binding, of a majority of the whole Committee. No member of the Committee shall be liable for any act or omission of any other member of the Committee or for any act or omission on his own part, including but not limited to the exercise of any power or discretion given to him under the Plan, except those resulting from his own gross negligence or willful misconduct. Subject to any specific designation in the Plan, the Committee has the exclusive power, authority and discretion to:

- (a) Designate Holders to receive Awards;
- (b) Determine the type or types of Awards to be granted to each Holder;
- (c) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

(d) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the Option Price, or purchase price, any restrictions or limitations on the Award or the Shares underlying the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, any provisions related to non-competition, and forfeiture or recapture (“clawback”) of gain on an Award, based in each case on such considerations as the Committee in its sole discretion determines; provided, however, that the Committee shall not have the authority to accelerate the vesting or waive the forfeiture of any Performance-Based Awards intended to qualify as Qualified Performance Based-Compensation or if any such acceleration would result in a violation of Section 409A of the Code;

(e) Subject to Article XIV of this Plan, determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the Option Price of an Award may be paid in, cash, Shares, other Awards, or other property, or an Award may be amended, canceled, forfeited, substituted, exchanged, replaced, bought out or surrendered;

(f) Prescribe the form of each Award Agreement, which need not be identical for each Holder;

(g) Decide all other matters that must be determined in connection with an Award;

(h) Establish, adopt, interpret, or revise any rules and regulations including adopting sub-plans to the Plan and Award Agreements for the purposes of complying with securities, exchange

control or tax laws outside of the United States or Ireland, and/or for the purposes of taking advantage of tax favorable treatment for Awards granted to Holders as it may deem necessary or advisable to administer the Plan, including the adoption of separate share schemes under the umbrella of the Plan in order to qualify for special tax or other treatment anywhere in the world; provided such rules, regulations or sub-plans, including the interpretation thereof are consistent with the terms and conditions of the Plan;

- (i) Interpret the terms of, and any matter arising pursuant to, the Plan, any sub-plan or Award Agreement;
- (j) Correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any Award to a Holder in the manner and to the extent the Committee deems necessary or desirable to further the Plan's objectives;
- (k) As permitted by law and stock exchange rules and the terms and provisions of the Plan, the Committee may delegate its authority as identified in this Section 13.2; and
- (l) Make all other decisions and determinations that may be required pursuant to the Plan, or any sub-plan or Award Agreement as the Committee deems necessary or advisable to administer the Plan, any sub-plan or Award Agreement.

**13.3 Decisions Binding.** All determinations and decisions made by the Committee or the Board, as the case may be, pursuant to the provisions of the Plan and all related orders and resolutions of the Committee or the Board, as the case may be, shall be final, conclusive and binding on all persons, including the Company, the Holders and the estates and beneficiaries of Holders.

**13.4 No Liability to Holders.** The Committee may employ attorneys, consultants, accountants, appraisers, brokers or other persons and the Committee, the Company, and the officers and Directors of the Company shall be entitled to rely upon the advice, opinions or valuations of any such persons. No member of the Committee shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, any sub-plan or the Awards, and all members of the Committee or any delegate of the Committee appointed under Section 2.8 shall be fully protected by the Company with respect to any such action, determination or interpretation, and subject to applicable Irish law. Notwithstanding anything to the contrary contained in the Plan, any sub-plan or any Award Agreement, subject to applicable Irish law, neither the Company, any Affiliate or any of their respective Employees, Directors, officers, agents or representatives nor any member of the Committee shall have liability to a Holder or otherwise, including, without limitation, with respect to the failure of the Plan, any sub-plan, any Award or Award Agreement to comply with Section 409A of the Code.

**ARTICLE XIV  
AMENDMENT OR TERMINATION OF PLAN**

14.1 **Amendment, Modification, Suspension, and Termination.** Subject to Section 14.2, the Board may, at any time and from time to time, alter, amend, modify, suspend, or terminate the Plan and/or any Award Agreement in whole or in part; provided, however, that, without the prior approval of the Company's shareholders and except as provided in Section 4.5, the Board shall not directly or indirectly lower the Option Price of a previously granted Option, and no amendment of the Plan shall be made without shareholder approval if shareholder approval is required by applicable law or stock exchange rules.

14.2 **Awards Previously Granted.** Notwithstanding any contrary provision of the Plan, no termination, amendment, suspension, or modification of the Plan or an Award Agreement shall adversely affect in any material way any Award previously granted under the Plan, without the written consent of the Holder holding such Award.

**ARTICLE XV  
MISCELLANEOUS**

15.1 **Unfunded Plan/No Establishment of a Trust Fund.** Holders shall have no right, title, or interest whatsoever in or to any investments that the Company or any of its Affiliates may make to aid in meeting obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any Holder, beneficiary, legal representative, or any other person. To the extent that any person acquires a right to receive payments from the Company under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company. All payments to be made hereunder shall be paid from the general funds of the Company and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts, except as expressly set forth in the Plan. No property shall be set aside nor shall a trust fund of any kind be established to secure the rights of any Holder under the Plan. The Plan is not intended to be subject to the United States Employee Retirement Income Security Act of 1974, as amended.

15.2 **No Employment Obligation.** The granting of any Award shall not constitute an employment or service contract, express or implied, nor impose upon the Company or any Affiliate any obligation to employ or continue to employ, or utilize the services of, any Holder. The right of the Company or any Affiliate to terminate the employment of any person shall not be diminished or affected by reason of the fact that an Award has been granted to him, and nothing in the Plan or an Award Agreement shall interfere with or limit in any way the right of the Company or its Affiliates to terminate any Holder's employment at any time or for any reason not prohibited by law.

15.3 **Transfers and Leaves of Absence.** For purposes of the Plan, unless the Committee determines otherwise: (a) a transfer of a Holder's employment without an intervening period of separation among the Company or any Affiliate shall not be deemed a Termination of Employment, subject to Section 409A of the Code in the case of an Award subject to Section 409A of the Code



that is granted to a U.S. Taxpayer and (b) a Holder who is granted in writing a leave of absence shall be deemed to have remained in the employ of any member of the Company or any Affiliate during such leave of absence, provided that such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute or unless provided otherwise pursuant to formal policy adopted from time to time by the Company and issued and promulgated to Employees in writing. In the case of any Employee on an approved leave of absence, the Committee may make such provisions respecting suspension of vesting of the Award while on leave from the employ of the Company or any Affiliate as it may deem appropriate, except that in no event may an Option be exercised after the expiration of the term set forth in the applicable Award Agreement. For purposes of ISOs, no leave of absence may exceed three months, unless reemployment upon expiration of such leave is guaranteed by statute or has been agreed to by contract or in a written policy of the Company which provides for a right of reemployment following the leave of absence.

**15.4 Tax Withholding.** The Company or any Affiliate shall have the authority and right to deduct or withhold or require a Holder to remit to the Company or any Affiliate, an amount sufficient to satisfy Tax-Related Items with respect to any taxable event concerning a Holder arising as a result of the Plan or to take such other action as may be necessary in the opinion of the Company or any Affiliate, as appropriate, to satisfy withholding obligations for the payment of Tax-Related Items, including but not limited to (a) withholding from the Holder's wages or other cash compensation; (b) withholding from the proceeds for the sale of Shares underlying the Award either through a voluntary sale or a mandatory sale arranged by the Company on the Holder's behalf; or (c) in the Committee's sole discretion and in satisfaction of the foregoing requirement withhold Shares otherwise issuable under an Award (or allow the return of Shares) having a Fair Market Value equal to the sums required to be withheld. To avoid negative accounting treatment, the number of Shares which may be withheld with respect to the issuance, vesting, exercise or payment of any Award or which may be repurchased from the Holder of such Award or redeemed in order to satisfy the Holder's Tax-Related Items liabilities with respect to the issuance, vesting, exercise or payment of the Award may be limited to the number of Shares which have a Fair Market Value on the date of withholding, repurchase or redemption equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates or other applicable minimum withholding rates. No Shares shall be delivered hereunder to any Holder or other person until the Holder or such other person has made arrangements acceptable to the Company for the satisfaction of the Tax-Related Items withholdings obligations with respect to any taxable event concerning the Holder or such other person arising as a result of the Plan.

**15.5 Gender and Number.** If the context requires, words of one gender when used in the Plan shall include the other and words used in the singular or plural shall include the other.

**15.6 Severability.** In the event any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

15.7 **Headings.** Headings of Articles and Sections are included for convenience of reference only and do not constitute part of the Plan and shall not be used in construing the terms and provisions of the Plan.

15.8 **Other Compensation Plans.** The adoption of the Plan shall not affect any outstanding options, restricted shares or restricted share units, nor shall the Plan preclude the Company from establishing any other forms of incentive compensation arrangements for Employees or Directors.

15.9 **Other Awards.** The grant of an Award shall not confer upon the Holder the right to receive any future or other Awards under the Plan, whether or not Awards may be granted to similarly situated Holders, or the right to receive future Awards upon the same terms or conditions as previously granted.

15.10 **Successors.** All obligations of the Company under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Company or continuing company, whether the existence of such successor is the result of a direct or indirect purchase, merger, amalgamation, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

15.11 **Law Limitations/Governmental Approvals.** The granting of Awards and the issuance of Shares under the Plan shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

15.12 **Fractional Shares.** No fractional Shares shall be issued or acquired pursuant to the Plan or any Award. If the application of any provision of the Plan or any Award Agreement would yield a fractional Share, such fractional Share shall be rounded down to the next whole Share if it is less than 0.5 and rounded up to the next whole Share if it is 0.5 or more.

15.13 **Investment Representations.** The Committee may require any person receiving Shares pursuant to an Award under the Plan to represent and warrant in writing that the person is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

15.14 **Persons Residing Outside of Ireland or the United States.** Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company or any of its Affiliates operates or has Employees, the Committee, in its sole discretion, shall have the power and authority to determine which Affiliates shall be covered by the Plan; determine which persons employed outside the United States are eligible to participate in the Plan; amend or vary the terms and provisions of the Plan and the terms and conditions of any Award granted to persons who reside or provide services outside Ireland or the United States; establish sub-plans and modify exercise procedures and other terms and procedures to the extent such actions may be necessary or advisable for legal or administrative reasons — any sub-plans and modifications to Plan terms and procedures established under this Section 15.14 by the Committee shall be attached to the Plan document as Appendices; and take any action, before or

after an Award is made, that it deems advisable to obtain or comply with any necessary local government regulatory exemptions or approvals. Notwithstanding the above, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the United States Securities Exchange Act of 1934, as amended, the Code, any securities law or governing statute.

15.15 **Governing Law.** The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable United States federal law and the laws of the State of Texas, without regard to any conflict of laws principles, except to the extent that the laws of Ireland mandatorily apply.

15.16 **Purchase Rights.** Any right of the Company to purchase or repurchase a Share shall include a right to redeem the Share also.

**WEATHERFORD INTERNATIONAL PLC  
2010 OMNIBUS INCENTIVE PLAN  
(as amended and restated on June 17, 2014)**

**RESTRICTED SHARE UNITS AWARD AGREEMENT**

**THIS RESTRICTED SHARE UNITS AWARD AGREEMENT**, including any country-specific terms set forth to an appendix attached hereto (this "**Agreement**") is made and entered into by and between Weatherford International plc, an Irish public limited company (the "**Company**"), and the individual who has signed or electronically accepted this Agreement (the "**Holder**"), effective as of \_\_\_\_\_, 20\_\_\_\_, pursuant to the Weatherford International plc 2010 Omnibus Incentive Plan, as amended and restated on June 17, 2014, and further amended on June 16, 2015 (the "**Plan**"), which is incorporated by reference herein in its entirety.

**WHEREAS**, the Company desires to grant to the Holder restricted share units of the Company (the "**Units**") under the Plan, subject to the terms and conditions of this Agreement and the Plan; and

**WHEREAS**, the Holder desires to have the opportunity to hold the Units subject to the terms and conditions of this Agreement and the Plan;

**NOW THEREFORE**, in consideration of the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Definitions.** For purposes of this Agreement, "**Forfeiture Restrictions**" shall mean any prohibitions and restrictions set forth herein or in the Plan with respect to the sale or other disposition of the Units and the obligation to forfeit such Units to the Company. Capitalized terms not otherwise defined in this Agreement shall have the meanings given to such terms in the Plan.
2. **Grant of Units.** Effective as of the date of this Agreement and subject to the terms and conditions of this Agreement and the Plan, the Company hereby grants to the Holder \_\_\_\_\_ Units. The Company and the Holder agree that this Agreement (including any country-specific appendix thereto) shall complete the terms of the Units.
3. **Transfer Restrictions.** Except as specified herein or in the Plan, the Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of. Any such attempted sale, assignment, pledge, exchange, hypothecation, transfer, encumbrance or disposition in violation of this Agreement or the Plan shall be void, and the Company shall not be bound thereby.
4. **Vesting or Forfeiture.**
  - (a) Except as specified otherwise in this Section 4, the Units shall be subject to Forfeiture Restrictions. The Forfeiture Restrictions shall lapse as to the Units that are granted hereby in accordance with the following schedule (each such date being a "**Vesting Date**"), provided that the Units have not been forfeited to the Company prior to such date pursuant to Section 4(c).

<u>Vesting Date</u>	<u>Number of Units Subject to Forfeiture Restrictions</u>
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- (b) Notwithstanding Section 4(a), if (i) the Holder's Employment with the Company and its Affiliates is terminated prior to one or more Vesting Dates due to the death or Disability of the Holder then, in either such event, all remaining Forfeiture Restrictions shall immediately lapse and the Vesting Date shall be deemed to be the date of the termination of the Holder's Employment by reason of death or Disability or (ii) there is a Change of Control prior to one or more Vesting Dates, then all remaining Forfeiture Restrictions shall immediately lapse and the Vesting Date shall be deemed to be the date immediately preceding such Change of Control. For purposes of this Agreement, "**Change of Control**" shall have the meaning ascribed thereto in the Plan, except that if the Holder is party to or covered by any change of control agreement or arrangement with the Employer (as defined in Section 8), then "**Change of Control**" shall have the meaning set forth in such agreement or arrangement to the extent permitted by and otherwise consistent with the Plan.
- (c) If the Holder's Employment is terminated prior to any Vesting Date (other than a termination described in Section 4(b)), then any Forfeiture Restrictions that have not previously lapsed pursuant to the provisions of this Section 4 shall not lapse, and any Units with respect to which the Forfeiture Restrictions have not lapsed shall be forfeited to the Company on the date of the termination of the Holder's Employment. In the event any Units are forfeited to the Company pursuant to this Agreement, the Company will not be obligated to pay the Holder any consideration whatsoever for the forfeited Units or the underlying Shares (as defined in Section 5), and the Holder will have no rights to receive any consideration for the forfeited Units.
5. **No Dividend Equivalents.** If during the period the Holder holds any Units awarded hereby the Company pays a dividend in cash, securities or otherwise with respect to the Company's outstanding ordinary shares, nominal value \$0.001 per share (the "**Shares**"), the Holder shall receive no dividend equivalent payment with respect to the Holder's Units.
6. **Delivery of Shares.** Upon the lapse of any Forfeiture Restrictions on each applicable Vesting Date under Section 4, the Company shall deliver or cause to be delivered a number of Shares equal to the number of Units with respect to which the Forfeiture Restrictions have lapsed (subject to the satisfaction by the Holder of any Tax-Related Items arising under Section 8 of this Agreement).
7. **Capital Adjustments and Reorganizations.** The existence of the Units shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any acquisition, merger, amalgamation or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference shares ahead of or affecting the Shares or the rights thereof, or the winding up, dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise, including a Change of Control (as defined in the Plan). An adjustment under this provision may have the effect of reducing the price at which Shares may be acquired to less than their nominal value (the "**Shortfall**"), but only if and to the extent that the Committee shall be authorized to capitalize from the reserves of the Company a sum equal to the Shortfall and to apply that sum in paying up that amount on the Shares.

8. **Responsibility for Taxes & Withholding.** The Holder acknowledges that, regardless of any action taken by the Company or any Affiliate of the Company, as applicable, to the extent the Holder is employed by or seconded to any such Affiliate (the “**Employer**”), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Holder’s participation in the Plan and legally applicable to the Holder or deemed by the Company or the Employer in its discretion to be an appropriate charge to the Holder even if legally applicable to the Company or the Employer (“**Tax-Related Items**”), is and remains the Holder’s responsibility and may exceed the amount actually withheld by the Company or the Employer. The Holder further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, vesting or settlement of the Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Holder’s liability for Tax-Related Items or achieve any particular tax result. Further, if the Holder is subject to Tax-Related Items in more than one jurisdiction between the date of grant and the date of any relevant taxable or tax withholding event, as applicable, the Holder acknowledges that the Company and/or the Employer (or former Employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Holder agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Holder authorizes the Company and/or its Affiliates, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from the Holder’s wages or other cash compensation paid to the Holder by the Company and/or its Affiliates; or
- (b) withholding from proceeds of the Shares acquired following the lapse of the Forfeiture Restrictions either through a voluntary sale or through a mandatory sale arranged by the Company (on the Holder’s behalf pursuant to this authorization without further consent); or
- (c) withholding in Shares to be delivered upon the lapse of the Forfeiture Restrictions unless the Committee, in its sole discretion, indicates that this method of withholding is not available prior to the applicable taxable or tax withholding event and further provided, that if the Holder is a Section 16 officer of the Company under the U.S. Securities and Exchange Act of 1934, as amended, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(c) herein and, if the Committee does not exercise its discretion prior to the Tax-Related Items withholding event, then the Holder shall be entitled to elect the method of withholding from the alternatives above.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case the Holder will receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Holder is deemed to have been issued the full number of Shares subject to the vested Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Holder agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Holder’s participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if the Holder fails to comply with his or her obligations in connection with the Tax-Related Items.

9. **Employment or Affiliation Relationship.** The grant of Units and the Holder's participation in the Plan shall not create a right to employment or be interpreted as forming an employment or services contract or other affiliation with the Company, the Employer or any Affiliate and shall not interfere with the ability of the Company, the Employer or any Affiliate, as applicable, to terminate the Holder's Employment. For purposes of this Agreement, the Holder shall be considered to be in the employment of, or affiliated with, the Company, the Employer or its Affiliates as long as the Holder has an active employment or affiliation relationship with the Company, the Employer or any Affiliate. The Committee shall determine any questions as to whether and when there has been a termination of the Holder's Employment, and the cause of such termination, under the Plan and the Committee's determination shall be final and binding on all persons.
10. **Voting and Other Rights.** The Holder shall have no rights as a shareholder of the Company in respect of the Units, including the right to vote and to receive dividends and other distributions, until delivery of Shares in satisfaction of such Units.
11. **Data Privacy.** The Holder hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Holder's personal data as described in this Agreement and any other grant materials ("**Data**") by and among, as applicable, the Employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing the Holder's participation in the Plan. The Holder understands that the Company and the Employer may hold certain personal information about the Holder, including, but not limited to, the Holder's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Holder's favor, for the exclusive purpose of implementing, administering and managing the Plan. The Holder understands that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Holder understands that the recipients of the Data may be located in Ireland, the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Holder's country. The Holder understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Holder authorizes the Company, Merrill Lynch and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. The Holder understands that Data will be held only as long as is necessary to implement, administer and manage the Holder's participation in the Plan. The Holder understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Holder understands that he or she is providing the consents herein on a purely voluntary basis. If the Holder does not consent, or if the Holder later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Holder's consent is that the Company would not be able to grant the Holder Units or other equity awards or administer or maintain such awards. Therefore, the Holder understands that refusing or withdrawing his or her consent may affect the Holder's ability to participate in the Plan. For more information on the consequences of the Holder's refusal to consent or withdrawal of consent, the Holder understands that he or she may contact his or her local human resources representative.
12. **Notices.** Any notice, instruction, authorization, request or demand required hereunder shall be in writing, and shall be delivered either by personal delivery, by facsimile, by certified or registered mail, return receipt requested, or by courier or delivery service, addressed to the Company at the address indicated below on the execution page of this Agreement, and to the Holder at the Holder's address indicated in the Company's register of Plan participants, or at such other address and number as a party shall have previously designated by written notice given to the other party in the manner

hereinabove set forth. Notices shall be deemed given when received, if sent by facsimile (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by facsimile means); and when delivered and received for (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.

13. **Amendment and Waiver.** This Agreement may be amended from time to time by the Committee in its discretion in any manner that it deems appropriate and that is consistent with the terms of the Plan. However, no such amendment shall adversely affect in a material manner any right of the Holder without his/her written consent. Only a written instrument executed and delivered by the party waiving compliance hereof shall make any waiver of the terms or conditions effective. Any waiver granted by the Company shall be effective only if executed and delivered by a duly authorized executive officer of the Company other than the Holder. The failure of any party at any time or times to require performance of any provisions hereof shall in no manner affect the right to enforce the same. No waiver by any party of any term or condition, or the breach of any term or condition contained in this Agreement, in one or more instances, shall be construed as a continuing waiver of any such condition or breach, a waiver of any other condition, or the breach of any other term or condition.
14. **Governing Law and Severability.** The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable United States federal law and the laws of the State of Texas, without regard to any conflict of laws principles, except to the extent that the laws of Ireland mandatorily apply. The invalidity of any provision of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect.
15. **Successors and Assigns.** Subject to the limitations which this Agreement and the Plan impose upon the transferability of the Units, this Agreement shall bind, be enforceable by and inure to the benefit of the Company and its successors and assigns, and to the Holder, his permitted assigns and, upon the Holder's death, the Holder's estate and beneficiaries thereof (whether by will or the laws of descent and distribution), executors, administrators, agents, and legal and personal representatives.
16. **Electronic Delivery and Execution.** The Holder hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, plan documents, prospectus and prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other Award made or offered under the Plan. The Holder understands that, unless revoked by the Holder by giving written notice to the Company pursuant to the Plan, this consent will be effective for the duration of the Agreement. The Holder also understands that he or she will have the right at any time to request that the Company deliver written copies of any and all materials referred to above. The Holder hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agree that his or her electronic signature is the same as, and will have the same force and effect as, his or her manual signature. The Holder hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
17. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be an original for all purposes but all of which taken together shall constitute but one and the same instrument.
18. **Acknowledgements.** The Holder acknowledges and agrees to the following:
  - (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;



- (b) the grant of the Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Units, or benefits in lieu of Units, even if Units have been granted in the past;
- (c) all decisions with respect to future Unit or other grants, if any, will be at the sole discretion of the Company;
- (d) the Holder is voluntarily participating in the Plan;
- (e) the Units and the Shares subject to the Units are not intended to replace any pension rights or compensation;
- (f) the Units and the Shares subject to the Units, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;
- (g) the future value of the Shares underlying the Units is unknown, indeterminable and cannot be predicted with certainty;
- (h) no claim or entitlement to compensation or damages shall arise from forfeiture of the Units resulting from the termination of the Holder's Employment (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Holder is employed or the terms of any employment agreement or arrangement in such jurisdiction, if any), and in consideration of the grant of the Units to which the Holder is otherwise not entitled, the Holder irrevocably agrees never to institute any claim against the Company, any of its Affiliates or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company, its Affiliates and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Holder shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- (i) for purposes of Units and unless otherwise expressly provided in this Agreement or determined by the Company, the Holder's right to vest in the Units under the Plan, if any, will terminate as of such termination date as determined by the Committee pursuant to Section 9 of this Agreement and will not be extended by any notice period (*e.g.*, Holder's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Holder is employed or the terms of the Holder's employment agreement or arrangement in such jurisdiction, if any); the Committee shall have the exclusive discretion to determine when the Holder is no longer actively providing services for purposes of the Unit grant (including whether Holder may still be considered to be providing services while on a leave of absence);
- (j) unless otherwise provided in the Plan or by the Company in its discretion, the Units and the benefits evidenced by this Agreement do not create any entitlement to have the Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting Shares;
- (k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Holder's participation in the Plan, or the Holder's acquisition or sale of the underlying Shares. The Holder is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan; and
- (l) the following provisions apply only if the Holder is providing services outside the United States:

- (i) the Units and the Shares subject to the Units are not part of normal or expected compensation or salary for any purpose;
- (ii) The Holder acknowledges and agrees that neither the Company, the Employer nor any Affiliate shall be liable for any foreign exchange rate fluctuation between Holder's local currency and the United States Dollar that may affect the value of the Units or of any amounts due to the Holder pursuant to the settlement of the Units or the subsequent sale of any Shares acquired upon settlement.

**19. Section 409A.**

- (a) The delivery of the Holder's Shares as described in Section 6 shall be made in accordance with such Section, provided that with respect to delivery due to termination of Employment for reasons other than death, the delivery at such time can be characterized as a "**short-term deferral**" for purposes of Section 409A or as otherwise exempt from the provisions of Section 409A, or if any portion of the delivery cannot be so characterized, and the Holder is a "**specified employee**" under Section 409A, such portion of the delivery shall be delayed until the earlier to occur of the Holder's death or the date that is six months and one day following the Holder's termination of Employment. For purposes of this Agreement, the terms "**terminates,**" "**terminated,**" "**termination,**" "**termination of employment,**" and variations thereof, as used in this Agreement to refer to the Holder's termination of Employment, are intended to mean a termination of employment that constitutes a "**separation from service**" under Section 409A.
- (b) This Agreement and the Units provided hereunder are intended to comply with Section 409A to the extent applicable thereto. Notwithstanding any provision of this Agreement to the contrary, this Agreement shall be interpreted and construed consistent with this intent. Although the Company and the Committee intend to administer this Agreement so that it will comply with the requirements of Section 409A, to the extent applicable, neither the Company nor the Committee represents or warrants that this Agreement will comply with Section 409A or any other provision of federal, state, local, or non-United States law. Neither the Company or its Affiliates, nor their respective directors, officers, employees or advisers shall be liable to any Holder (or any other individual claiming a benefit through the Holder) for any tax, interest, or penalties the Holder might owe as a result of participation in the Plan, and the Company and its Affiliates shall have no obligation to indemnify or otherwise protect any Holder from the obligation to pay any taxes pursuant to Section 409A.

**20. Language.** If the Holder has received this Agreement, or any other document related to the Units and/or the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

**21. Appendix.** Notwithstanding any provisions in this Agreement, the Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for the Holder's country. Moreover, if the Holder relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to the Holder, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

**22. Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Holder's participation in the Plan, on the Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Holder to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

23. **Waiver.** The Holder acknowledges that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Holder or any other Plan participants.

*By the Holder's execution or electronic acceptance of this Agreement (including the country-specific appendix attached hereto) in the manner specified in the Holder's online account with the Company's designated broker/stock plan administrator, the Holder and the Company have agreed that the Units are granted under and governed by the terms and conditions of this Agreement (including any country-specific appendix attached hereto) and the Plan.*

*[Signature page follows]*

**IN WITNESS WHEREOF**, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Holder has executed this Agreement, all as of the date first above written.

**WEATHERFORD INTERNATIONAL PLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ADDRESS:  
Bahnhofstrasse 1  
Baar 6340, Switzerland  
Attn: Corporate Secretary

**HOLDER:**  
By: \_\_\_\_\_  
Name: \_\_\_\_\_

**WEATHERFORD INTERNATIONAL PLC  
2010 OMNIBUS INCENTIVE PLAN  
(as amended and restated on June 17, 2014)**

**RESTRICTED SHARE UNITS AWARD AGREEMENT**

**THIS RESTRICTED SHARE UNITS AWARD AGREEMENT** (this "**Agreement**") is made and entered into by and between Weatherford International plc, an Irish public limited company (the "**Company**"), and the individual who has signed or electronically accepted this Agreement (the "**Holder**"), effective as of \_\_\_\_\_, 20\_\_\_\_, pursuant to the Weatherford International plc 2010 Omnibus Incentive Plan, as amended and restated on June 17, 2014, and further amended on June 16, 2015 (the "**Plan**"), which is incorporated by reference herein in its entirety.

**WHEREAS**, the Company desires to grant to the Holder restricted share units of the Company (the "**Units**") under the Plan, subject to the terms and conditions of this Agreement and the Plan; and

**WHEREAS**, the Holder desires to have the opportunity to hold the Units subject to the terms and conditions of this Agreement and the Plan;

**NOW THEREFORE**, in consideration of the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Definitions.** For purposes of this Agreement, "**Forfeiture Restrictions**" shall mean any prohibitions and restrictions set forth herein or in the Plan with respect to the sale or other disposition of the Units and the obligation to forfeit such Units to the Company. Capitalized terms not otherwise defined in this Agreement shall have the meanings given to such terms in the Plan.
2. **Grant of Units.** Effective as of the date of this Agreement and subject to the terms and conditions of this Agreement and the Plan, the Company hereby grants to the Holder \_\_\_\_\_ Units. The Company and the Holder agree that this Agreement (including any country-specific appendix thereto) shall complete the terms of the Units.
3. **Transfer Restrictions.** Except as specified herein or in the Plan, the Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of. Any such attempted sale, assignment, pledge, exchange, hypothecation, transfer, encumbrance or disposition in violation of this Agreement or the Plan shall be void, and the Company shall not be bound thereby.
4. **Vesting or Forfeiture.**
  - (a) Except as specified otherwise in this Section 4, the Units shall be subject to Forfeiture Restrictions. The Forfeiture Restrictions shall lapse as to the Units that are granted hereby in accordance with the following schedule (each such date being a "**Vesting Date**"), provided that the Units have not been forfeited to the Company prior to such date pursuant to Section 4(c).

<u>Vesting Date</u>	<u>Number of Units Subject to Forfeiture Restrictions</u>
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- (b) Notwithstanding Section 4(a), if (i) the Holder's Employment with the Company and its Affiliates is terminated prior to one or more Vesting Dates due to the death or Disability of the Holder then, in either such event, all remaining Forfeiture Restrictions shall immediately lapse and the Vesting Date shall be deemed to be the date of the termination of the Holder's Employment by reason of death or Disability or (ii) there is a Change of Control prior to one or more Vesting Dates, then all remaining Forfeiture Restrictions shall immediately lapse and the Vesting Date shall be deemed to be the date immediately preceding such Change of Control. For purposes of this Agreement, "***Change of Control***" shall have the meaning ascribed thereto in the Plan.
- (c) If the Holder's Employment is terminated prior to any Vesting Date (other than a termination described in Section 4(b)), then any Forfeiture Restrictions that have not previously lapsed pursuant to the provisions of this Section 4 shall not lapse, and any Units with respect to which the Forfeiture Restrictions have not lapsed shall be forfeited to the Company on the date of the termination of the Holder's Employment. In the event any Units are forfeited to the Company pursuant to this Agreement, the Company will not be obligated to pay the Holder any consideration whatsoever for the forfeited Units or the underlying Shares (as defined in Section 5), and the Holder will have no rights to receive any consideration for the forfeited Units.
5. **No Dividend Equivalents.** If during the period the Holder holds any Units awarded hereby the Company pays a dividend in cash, securities or otherwise with respect to the Company's outstanding ordinary shares, nominal value \$0.001 per share (the "***Shares***"), the Holder shall receive no dividend equivalent payment with respect to the Holder's Units.
6. **Delivery of Shares.** Upon the lapse of any Forfeiture Restrictions on each applicable Vesting Date under Section 4, the Company shall deliver or cause to be delivered a number of Shares equal to the number of Units with respect to which the Forfeiture Restrictions have lapsed (subject to the satisfaction by the Holder of any Tax-Related Items arising under Section 8 of this Agreement).
7. **Capital Adjustments and Reorganizations.** The existence of the Units shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any acquisition, merger, amalgamation or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference shares ahead of or affecting the Shares or the rights thereof, or the winding up, dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise, including a Change of Control (as defined in the Plan). An adjustment under this provision may have the effect of reducing the price at which Shares may be acquired to less than their nominal value (the "***Shortfall***"), but only if and to the extent that the Committee shall be

authorized to capitalize from the reserves of the Company a sum equal to the Shortfall and to apply that sum in paying up that amount on the Shares.

8. **Responsibility for Taxes & Withholding.** The Holder acknowledges that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Holder's participation in the Plan and legally applicable to the Holder or deemed by the Company in its discretion to be an appropriate charge to the Holder even if legally applicable to the Company ("***Tax-Related Items***"), is and remains the Holder's responsibility and may exceed the amount actually withheld by the Company. The Holder further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, vesting or settlement of the Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (ii) does not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Holder's liability for Tax-Related Items or achieve any particular tax result. Further, if the Holder is subject to Tax-Related Items in more than one jurisdiction between the date of grant and the date of any relevant taxable or tax withholding event, as applicable, the Holder acknowledges that the Company may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Holder agrees to make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items. In this regard, the Holder authorizes the Company and/or its Affiliates, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from the Holder's wages or other cash compensation paid to the Holder by the Company and/or its Affiliates; or
- (b) withholding from proceeds of the Shares acquired following the lapse of the Forfeiture Restrictions either through a voluntary sale or through a mandatory sale arranged by the Company (on the Holder's behalf pursuant to this authorization without further consent); or
- (c) withholding in Shares to be delivered upon the lapse of the Forfeiture Restrictions unless the Committee, in its sole discretion, indicates that this method of withholding is not available prior to the applicable taxable or tax withholding event and further provided, that if the Holder is a Section 16 officer of the Company under the U.S. Securities and Exchange Act of 1934, as amended, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(c) herein and, if the Committee does not exercise its discretion prior to the Tax-Related Items withholding event, then the Holder shall be entitled to elect the method of withholding from the alternatives above.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case the Holder will receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Holder is deemed to

have been issued the full number of Shares subject to the vested Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Holder agrees to pay to the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result of the Holder's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if the Holder fails to comply with his or her obligations in connection with the Tax-Related Items.

9. **Employment or Affiliation Relationship.** The grant of Units and the Holder's participation in the Plan shall not create a right to employment or be interpreted as forming an employment or services contract or other affiliation with the Company or any Affiliate and shall not interfere with the ability of the Company or any Affiliate, as applicable, to terminate the Holder's Employment. For purposes of this Agreement, the Holder shall be considered to be in the employment of, or affiliated with, the Company or its Affiliates as long as the Holder has an active employment or affiliation relationship with the Company or any Affiliate. The Committee shall determine any questions as to whether and when there has been a termination of the Holder's Employment, and the cause of such termination, under the Plan and the Committee's determination shall be final and binding on all persons.
10. **Voting and Other Rights.** The Holder shall have no rights as a shareholder of the Company in respect of the Units, including the right to vote and to receive dividends and other distributions, until delivery of Shares in satisfaction of such Units.
11. **Data Privacy.** The Holder hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Holder's personal data as described in this Agreement and any other grant materials ("**Data**") by and among, as applicable, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing the Holder's participation in the Plan. The Holder understands that the Company and its Affiliates may hold certain personal information about the Holder, including, but not limited to, the Holder's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Holder's favor, for the exclusive purpose of implementing, administering and managing the Plan. The Holder understands that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Holder understands that the recipients of the Data may be located in Ireland, the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Holder's country. The Holder understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting the Company. The Holder authorizes the Company, Merrill Lynch and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. The Holder understands that Data will be held only as long as is necessary to implement, administer and manage the Holder's participation in the Plan. The Holder understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting



in writing the Company. Further, the Holder understands that he or she is providing the consents herein on a purely voluntary basis. If the Holder does not consent, or if the Holder later seeks to revoke his or her consent, his or her employment status or affiliation relationship and career with the Company will not be adversely affected; the only adverse consequence of refusing or withdrawing the Holder's consent is that the Company would not be able to grant the Holder Units or other equity awards or administer or maintain such awards. Therefore, the Holder understands that refusing or withdrawing his or her consent may affect the Holder's ability to participate in the Plan. For more information on the consequences of the Holder's refusal to consent or withdrawal of consent, the Holder understands that he or she may contact the Company.

12. **Notices.** Any notice, instruction, authorization, request or demand required hereunder shall be in writing, and shall be delivered either by personal delivery, by facsimile, by certified or registered mail, return receipt requested, or by courier or delivery service, addressed to the Company at the address indicated below on the execution page of this Agreement, and to the Holder at the Holder's address indicated in the Company's register of Plan participants, or at such other address and number as a party shall have previously designated by written notice given to the other party in the manner hereinabove set forth. Notices shall be deemed given when received, if sent by facsimile (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by facsimile means); and when delivered and receipted for (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.
13. **Amendment and Waiver.** This Agreement may be amended from time to time by the Committee in its discretion in any manner that it deems appropriate and that is consistent with the terms of the Plan. However, no such amendment shall adversely affect in a material manner any right of the Holder without his/her written consent. Only a written instrument executed and delivered by the party waiving compliance hereof shall make any waiver of the terms or conditions effective. Any waiver granted by the Company shall be effective only if executed and delivered by a duly authorized executive officer of the Company other than the Holder. The failure of any party at any time or times to require performance of any provisions hereof shall in no manner affect the right to enforce the same. No waiver by any party of any term or condition, or the breach of any term or condition contained in this Agreement, in one or more instances, shall be construed as a continuing waiver of any such condition or breach, a waiver of any other condition, or the breach of any other term or condition.
14. **Governing Law and Severability.** The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable United States federal law and the laws of the State of Texas, without regard to any conflict of laws principles, except to the extent that the laws of Ireland mandatorily apply. The invalidity of any provision of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect.
15. **Successors and Assigns.** Subject to the limitations which this Agreement and the Plan impose upon the transferability of the Units, this Agreement shall bind, be enforceable by and inure to the benefit of the Company and its successors and assigns, and to the Holder, his permitted assigns and, upon the Holder's death, the Holder's estate and beneficiaries thereof (whether by will or the laws of descent and distribution), executors, administrators, agents, and legal and personal representatives.

16. **Electronic Delivery and Execution.** The Holder hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, plan documents, prospectus and prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other Award made or offered under the Plan. The Holder understands that, unless revoked by the Holder by giving written notice to the Company pursuant to the Plan, this consent will be effective for the duration of the Agreement. The Holder also understands that he or she will have the right at any time to request that the Company deliver written copies of any and all materials referred to above. The Holder hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agree that his or her electronic signature is the same as, and will have the same force and effect as, his or her manual signature. The Holder hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
17. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be an original for all purposes but all of which taken together shall constitute but one and the same instrument.
18. **Acknowledgements.** The Holder acknowledges and agrees to the following:
- (a) The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
  - (b) the grant of the Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Units, or benefits in lieu of Units, even if Units have been granted in the past;
  - (c) all decisions with respect to future Unit or other grants, if any, will be at the sole discretion of the Company;
  - (d) the Holder is voluntarily participating in the Plan;
  - (e) the future value of the Shares underlying the Units is unknown, indeterminable and cannot be predicted with certainty;
  - (f) unless otherwise provided in the Plan or by the Company in its discretion, the Units and the benefits evidenced by this Agreement do not create any entitlement to have the Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting Shares; and
  - (g) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Holder's participation in the Plan, or the Holder's acquisition or sale of the underlying Shares. The Holder is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

19. **Section 409A.**

- (a) The delivery of the Holder's Shares as described in Section 6 shall be made in accordance with such Section, provided that with respect to delivery due to termination of Employment for reasons other than death, the delivery at such time can be characterized as a "***short-term deferral***" for purposes of Section 409A or as otherwise exempt from the provisions of Section 409A, or if any portion of the delivery cannot be so characterized, and the Holder is a "***specified employee***" under Section 409A, such portion of the delivery shall be delayed until the earlier to occur of the Holder's death or the date that is six months and one day following the Holder's termination of Employment. For purposes of this Agreement, the terms "***terminates,***" "***terminated,***" "***termination,***" "***termination of employment,***" and variations thereof, as used in this Agreement to refer to the Holder's termination of Employment, are intended to mean a termination of employment that constitutes a "***separation from service***" under Section 409A.
- (b) This Agreement and the Units provided hereunder are intended to comply with Section 409A to the extent applicable thereto. Notwithstanding any provision of this Agreement to the contrary, this Agreement shall be interpreted and construed consistent with this intent. Although the Company and the Committee intend to administer this Agreement so that it will comply with the requirements of Section 409A, to the extent applicable, neither the Company nor the Committee represents or warrants that this Agreement will comply with Section 409A or any other provision of federal, state, local, or non-United States law. Neither the Company or its Affiliates, nor their respective directors, officers, employees or advisers shall be liable to any Holder (or any other individual claiming a benefit through the Holder) for any tax, interest, or penalties the Holder might owe as a result of participation in the Plan, and the Company and its Affiliates shall have no obligation to indemnify or otherwise protect any Holder from the obligation to pay any taxes pursuant to Section 409A.

20. **Language.** If the Holder has received this Agreement, or any other document related to the Units and/or the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

21. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Holder's participation in the Plan, on the Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Holder to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

22. **Waiver.** The Holder acknowledges that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Holder or any other Plan participants.

***By the Holder's execution or electronic acceptance of this Agreement in the manner specified in the Holder's online account with the Company's designated broker/stock plan administrator, the Holder and the Company have agreed that the Units are granted under and governed by the terms and conditions of this Agreement (including any country-specific appendix attached hereto) and the Plan.***

*[Signature page follows]*

**IN WITNESS WHEREOF**, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Holder has executed this Agreement, all as of the date first above written.

**WEATHERFORD INTERNATIONAL PLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ADDRESS:  
Bahnhofstrasse 1  
Baar 6340, Switzerland  
Attn: Corporate Secretary

**HOLDER:**  
By: \_\_\_\_\_  
Name: \_\_\_\_\_

**WEATHERFORD INTERNATIONAL PLC**  
**2010 OMNIBUS INCENTIVE PLAN**  
**(as amended and restated on June 17, 2014)**

**PERFORMANCE UNITS AWARD AGREEMENT**  
**(Shareholder Return)**

**THIS PERFORMANCE UNITS AWARD AGREEMENT**, including any country-specific terms set forth to an appendix attached hereto (this "**Agreement**") is made and entered into by and between Weatherford International plc, an Irish public limited company (the "**Company**"), and the individual who has signed or electronically accepted this Agreement (the "**Holder**") effective as of \_\_\_\_\_, 20\_\_\_\_, pursuant to the Weatherford International plc 2010 Omnibus Incentive Plan, as amended and restated on June 17, 2014, and further amended on June 16, 2015 (the "**Plan**"), which is incorporated by reference herein in its entirety.

**WHEREAS**, the Company desires to grant to the Holder Performance Unit Awards (the "**Units**") under the Plan, subject to the terms and conditions of this Agreement and the Plan; and

**WHEREAS**, the Holder desires to have the opportunity to hold the Units subject to the terms and conditions of this Agreement and the Plan;

**NOW, THEREFORE**, in consideration of the premises, mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Definitions.** For purposes of this Agreement, "**Forfeiture Restrictions**" shall mean any prohibitions and restrictions set forth herein or in the Plan with respect to the sale or other disposition of the Units and the obligation to forfeit such Units to the Company. Capitalized terms not otherwise defined in this Agreement shall have the meanings given to such terms in the Plan.
2. **Grant of Units.** Effective as of the date of this Agreement and subject to the terms and conditions of this Agreement and the Plan, the Company hereby grants to the Holder \_\_\_\_\_ Units. Each Unit shall, upon vesting pursuant to Section 4 and subject to the Performance Goal set out in Annex A to this Agreement, be convertible into between 0.0 and 2.0 Shares (as defined in Section 5) (such amount being the "**Performance Multiplier**"), depending on the level of achievement of the Performance Goal on the Performance Measurement Date. The Company and the Holder agree that this Agreement, (including any country-specific appendix thereto) shall complete the terms of the Units. As used herein, "**Performance Measurement Date**" means the last trading day in each of the years ending \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_, provided, however, that if any Vesting Date (as defined in Section 4(a) below) occurs pursuant to Section 4(b), then the Performance Measurement Date shall be the 30 NYSE trading days ending on the date immediately preceding the Vesting Date and the Performance Goal and Performance Multiplier shall be calculated using the average closing stock price of the Shares during such period (except where the Vesting Date occurs as a result of a Change of Control pursuant to Section 4(b)(ii), in which case the Performance Multiplier shall be equal to 2.0).
3. **Transfer Restrictions.** Except as specified herein or in the Plan, the Units may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of. Any such attempted sale, assignment, pledge, exchange, hypothecation, transfer, encumbrance or disposition in violation of this Agreement or the Plan shall be void, and the Company shall not be bound thereby.

4. **Vesting or Forfeiture.**

- (a) Except as specified otherwise in this Section 4, the Units shall be subject to Forfeiture Restrictions. The Forfeiture Restrictions shall lapse as to the Units that are granted hereby in accordance with the following schedule (each such date being a “***Vesting Date***”), provided that the Units have not been forfeited to the Company prior to such date pursuant to Section 4(c).

**Vesting Date**

**Number of Units Subject to Forfeiture Restrictions**

- (b) Notwithstanding Section 4(a), if (i) the Holder’s Employment with the Company and its Affiliates is terminated prior to one or more Vesting Dates due to the death or Disability of the Holder then, in either such event, all remaining Forfeiture Restrictions shall immediately lapse and the Vesting Date shall be deemed to be the date of the termination of the Holder’s Employment by reason of death or Disability or (ii) there is a Change of Control prior to one or more Vesting Dates, then all remaining Forfeiture Restrictions shall immediately lapse and the Vesting Date shall be deemed to be the date immediately preceding such Change of Control. For purposes of this Agreement, “***Change of Control***” shall have the meaning ascribed thereto in the Plan, except that if the Holder is party to or covered by any change of control agreement or arrangement with the Employer (as defined in Section 8), then “***Change of Control***” shall have the meaning set forth in such agreement or arrangement to the extent permitted by and otherwise consistent with the Plan.
- (c) If the Holder’s Employment is terminated prior to any Vesting Date (other than a termination described in Section 4(b)), then any Forfeiture Restrictions that have not previously lapsed pursuant to the provisions of this Section 4 shall not lapse, and any Units with respect to which the Forfeiture Restrictions have not lapsed shall be forfeited to the Company on the date of the termination of the Holder’s Employment. In the event any Units are forfeited to the Company pursuant to this Agreement, the Company will not be obligated to pay the Holder any consideration whatsoever for the forfeited Units or the underlying Shares, and the Holder will have no rights to receive any consideration for the forfeited Units.

5. **No Dividend Equivalents.** If during the period the Holder holds any Units awarded hereby the Company pays a dividend in cash, securities or otherwise with respect to the Company’s outstanding ordinary shares, nominal value \$0.001 per share (the “***Shares***”), the Holder shall receive no dividend equivalent payment with respect to the Holder’s Units.

6. **Delivery of Shares.** Upon the lapse of any Forfeiture Restrictions on each applicable Vesting Date under Section 4, the Company shall deliver or cause to be delivered a number of Shares equal to the number of Units with respect to which the Forfeiture Restrictions have lapsed multiplied by the applicable Performance Multiplier (subject to the satisfaction by the Holder of any Tax-Related Items arising under Section 8 of this Agreement); provided that if the Performance Multiplier is 0.0, then the Units shall be deemed forfeited on the applicable Vesting Date.

7. **Capital Adjustments and Reorganizations.** The existence of the Units shall not affect in any way the right or power of the Company or its shareholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any acquisition, merger, amalgamation or consolidation of the Company, or any issue of bonds, debentures, preferred or prior preference shares ahead of or affecting the Shares or the rights thereof, or the winding up, dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise, including a Change of Control (as defined in the Plan). An adjustment under this provision may have the effect of reducing the price at which Shares may be acquired to less than their nominal value (the "**Shortfall**"), but only if and to the extent that the Committee shall be authorized to capitalize from the reserves of the Company a sum equal to the Shortfall and to apply that sum in paying up that amount on the Shares.

8. **Responsibility for Taxes & Withholding.** The Holder acknowledges that, regardless of any action taken by the Company or any Affiliate of the Company, as applicable, to the extent the Holder is employed by or seconded to any such Affiliate (the "**Employer**"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Holder's participation in the Plan and legally applicable to the Holder or deemed by the Company or the Employer in its discretion to be an appropriate charge to the Holder even if legally applicable to the Company or the Employer ("**Tax-Related Items**"), is and remains the Holder's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Holder further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units, including, but not limited to, the grant, vesting or settlement of the Units, the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Units to reduce or eliminate the Holder's liability for Tax-Related Items or achieve any particular tax result. Further, if the Holder is subject to Tax-Related Items in more than one jurisdiction between the date of grant and the date of any relevant taxable or tax withholding event, as applicable, the Holder acknowledges that the Company and/or the Employer (or former Employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Holder agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Holder authorizes the Company and/or its Affiliates, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

- (a) withholding from the Holder's wages or other cash compensation paid to the Holder by the Company and/or its Affiliates; or
- (b) withholding from proceeds of the Shares acquired following the lapse of the Forfeiture Restrictions either through a voluntary sale or through a mandatory sale arranged by the Company (on the Holder's behalf pursuant to this authorization without further consent); or
- (c) withholding in Shares to be delivered upon the lapse of the Forfeiture Restrictions unless the Committee, in its sole discretion, indicates that this method of withholding is not available prior to the applicable taxable or tax withholding event and further provided, that if the

Holder is a Section 16 officer of the Company under the U.S. Securities and Exchange Act of 1934, as amended, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (a)-(c) herein and, if the Committee does not exercise its discretion prior to the Tax-Related Items withholding event, then the Holder shall be entitled to elect the method of withholding from the alternatives above.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case the Holder will receive a refund of any over-withheld amount in cash and will have no entitlement to the Share equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, the Holder is deemed to have been issued the full number of Shares subject to the vested Units, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Holder agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Holder's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if the Holder fails to comply with his or her obligations in connection with the Tax-Related Items.

9. **Employment or Affiliation Relationship.** The grant of Units and the Holder's participation in the Plan shall not create a right to employment or be interpreted as forming an employment or services contract or other affiliation with the Company, the Employer or any Affiliate and shall not interfere with the ability of the Company, the Employer or any Affiliate, as applicable, to terminate the Holder's Employment. For purposes of this Agreement, the Holder shall be considered to be in the employment of, or affiliated with, the Company, the Employer or its Affiliates as long as the Holder has an active employment or affiliation relationship with the Company, the Employer or any Affiliate. The Committee shall determine any questions as to whether and when there has been a termination of the Holder's Employment, and the cause of such termination, under the Plan and the Committee's determination shall be final and binding on all persons.
10. **Voting and Other Rights.** The Holder shall have no rights as a shareholder of the Company in respect of the Units, including the right to vote and to receive dividends and other distributions, until delivery of Shares in satisfaction of such Units.
11. **Data Privacy.** The Holder hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Holder's personal data as described in this Agreement and any other grant materials ("**Data**") by and among, as applicable, the Employer, the Company and its Affiliates for the exclusive purpose of implementing, administering and managing the Holder's participation in the Plan. The Holder understands that the Company and the Employer may hold certain personal information about the Holder, including, but not limited to, the Holder's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Company, details of all Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in the Holder's favor, for the exclusive purpose of implementing, administering and managing the Plan. The Holder understands that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Holder understands that the recipients of the Data may be located in Ireland, the United States or elsewhere,



and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Holder's country. The Holder understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Holder authorizes the Company, Merrill Lynch and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. The Holder understands that Data will be held only as long as is necessary to implement, administer and manage the Holder's participation in the Plan. The Holder understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Holder understands that he or she is providing the consents herein on a purely voluntary basis. If the Holder does not consent, or if the Holder later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Holder's consent is that the Company would not be able to grant the Holder Units or other equity awards or administer or maintain such awards. Therefore, the Holder understands that refusing or withdrawing his or her consent may affect the Holder's ability to participate in the Plan. For more information on the consequences of the Holder's refusal to consent or withdrawal of consent, the Holder understands that he or she may contact his or her local human resources representative.

12. **Notices.** Any notice, instruction, authorization, request or demand required hereunder shall be in writing, and shall be delivered either by personal delivery, by facsimile, by certified or registered mail, return receipt requested, or by courier or delivery service, addressed to the Company at the address indicated below on the execution page of this Agreement, and to the Holder at the Holder's address indicated in the Company's register of Plan participants, or at such other address and number as a party shall have previously designated by written notice given to the other party in the manner hereinabove set forth. Notices shall be deemed given when received, if sent by facsimile (confirmation of such receipt by confirmed facsimile transmission being deemed receipt of communications sent by facsimile means); and when delivered and receipted for (or upon the date of attempted delivery where delivery is refused), if hand-delivered, sent by express courier or delivery service, or sent by certified or registered mail, return receipt requested.
13. **Amendment and Waiver.** This Agreement may be amended from time to time by the Committee in its discretion in any manner that it deems appropriate and that is consistent with the terms of the Plan. However, no such amendment shall adversely affect in a material manner any right of the Holder without his/her written consent. Only a written instrument executed and delivered by the party waiving compliance hereof shall make any waiver of the terms or conditions effective. Any waiver granted by the Company shall be effective only if executed and delivered by a duly authorized executive officer of the Company other than the Holder. The failure of any party at any time or times to require performance of any provisions hereof shall in no manner affect the right to enforce the same. No waiver by any party of any term or condition, or the breach of any term or condition contained in this Agreement, in one or more instances, shall be construed as a continuing waiver of any such condition or breach, a waiver of any other condition, or the breach of any other term or condition.
14. **Governing Law and Severability.** The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with applicable United States

federal law and the laws of the State of Texas, without regard to any conflict of laws principles, except to the extent that the laws of Ireland mandatorily apply. The invalidity of any provision of this Agreement shall not affect any other provision of this Agreement, which shall remain in full force and effect

15. **Successors and Assigns.** Subject to the limitations which this Agreement and the Plan impose upon the transferability of the Units, this Agreement shall bind, be enforceable by and inure to the benefit of the Company and its successors and assigns, and to the Holder, his permitted assigns and, upon the Holder's death, the Holder's estate and beneficiaries thereof (whether by will or the laws of descent and distribution), executors, administrators, agents, and legal and personal representatives.
16. **Electronic Delivery and Execution.** The Holder hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, plan documents, prospectus and prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other Award made or offered under the Plan. The Holder understands that, unless revoked by the Holder by giving written notice to the Company pursuant to the Plan, this consent will be effective for the duration of the Agreement. The Holder also understands that he or she will have the right at any time to request that the Company deliver written copies of any and all materials referred to above. The Holder hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agree that his or her electronic signature is the same as, and will have the same force and effect as, his or her manual signature. The Holder hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
17. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be an original for all purposes but all of which taken together shall constitute but one and the same instrument.
18. **Acknowledgements.** The Holder acknowledges and agrees to the following:
  - a. The Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
  - b. the grant of the Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Units, or benefits in lieu of Units, even if Units have been granted in the past;
  - c. all decisions with respect to future Unit or other grants, if any, will be at the sole discretion of the Company;
  - d. the Holder is voluntarily participating in the Plan;
  - e. the Units and the Shares subject to the Units are not intended to replace any pension rights or compensation;
  - f. the Units and the Shares subject to the Units, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation,

termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

- g. the future value of the Shares underlying the Units is unknown, indeterminable and cannot be predicted with certainty;
- h. no claim or entitlement to compensation or damages shall arise from forfeiture of the Units resulting from the termination of the Holder's Employment (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Holder is employed or the terms of any employment agreement or arrangement in such jurisdiction, if any), and in consideration of the grant of the Units to which the Holder is otherwise not entitled, the Holder irrevocably agrees never to institute any claim against the Company, any of its Affiliates or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company, its Affiliates and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Holder shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- i. for purposes of Units and unless otherwise expressly provided in this Agreement or determined by the Company, the Holder's right to vest in the Units under the Plan, if any, will terminate as of such termination date as determined by the Committee pursuant to Section 9 of this Agreement and will not be extended by any notice period (*e.g.*, Holder's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Holder is employed or the terms of the Holder's employment agreement or arrangement in such jurisdiction, if any); the Committee shall have the exclusive discretion to determine when the Holder is no longer actively providing services for purposes of the Unit grant (including whether Holder may still be considered to be providing services while on a leave of absence);
- j. unless otherwise provided in the Plan or by the Company in its discretion, the Units and the benefits evidenced by this Agreement do not create any entitlement to have the Units or any such benefits transferred to, or assumed by, another company nor be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting Shares;
- k. the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Holder's participation in the Plan, or the Holder's acquisition or sale of the underlying Shares. The Holder is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan; and
- l. the following provisions apply only if the Holder is providing services outside the United States:
  - (i) the Units and the Shares subject to the Units are not part of normal or expected compensation or salary for any purpose;
  - (ii) The Holder acknowledges and agrees that neither the Company, the Employer nor any Affiliate shall be liable for any foreign exchange rate fluctuation between Holder's local currency and the United States Dollar that may affect the value of the Units or of any amounts

due to the Holder pursuant to the settlement of the Units or the subsequent sale of any Shares acquired upon settlement.

**19. Section 409A.**

- (a) The delivery of the Holder's Shares as described in Section 6 shall be made in accordance with such Section, provided that with respect to delivery due to termination of Employment for reasons other than death, the delivery at such time can be characterized as a "**short-term deferral**" for purposes of Section 409A or as otherwise exempt from the provisions of Section 409A, or if any portion of the delivery cannot be so characterized, and the Holder is a "**specified employee**" under Section 409A, such portion of the delivery shall be delayed until the earlier to occur of the Holder's death or the date that is six months and one day following the Holder's termination of Employment. For purposes of this Agreement, the terms "**terminates,**" "**terminated,**" "**termination,**" "**termination of employment,**" and variations thereof, as used in this Agreement to refer to the Holder's termination of Employment, are intended to mean a termination of employment that constitutes a "**separation from service**" under Section 409A.
- (b) This Agreement and the Units provided hereunder are intended to comply with Section 409A to the extent applicable thereto. Notwithstanding any provision of this Agreement to the contrary, this Agreement shall be interpreted and construed consistent with this intent. Although the Company and the Committee intend to administer this Agreement so that it will comply with the requirements of Section 409A, to the extent applicable, neither the Company nor the Committee represents or warrants that this Agreement will comply with Section 409A or any other provision of federal, state, local, or non-United States law. Neither the Company or its Affiliates, nor their respective directors, officers, employees or advisers shall be liable to any Holder (or any other individual claiming a benefit through the Holder) for any tax, interest, or penalties the Holder might owe as a result of participation in the Plan, and the Company and its Affiliates shall have no obligation to indemnify or otherwise protect any Holder from the obligation to pay any taxes pursuant to Section 409A.

**20. Language.** If the Holder has received this Agreement, or any other document related to the Units and/or the Plan translated into a language other than English and if the translated version is different than the English version, the English version will control.

**21. Appendix.** Notwithstanding any provisions in this Agreement, the Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for the Holder's country. Moreover, if the Holder relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to the Holder, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

**22. Imposition of Other Requirements.** The Company reserves the right to impose other requirements on the Holder's participation in the Plan, on the Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Holder to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

**23. Waiver.** The Holder acknowledges that a waiver by the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Holder or any other Plan participants.

***By the Holder's execution or electronic acceptance of this Agreement (including the country-specific appendix attached hereto) in the manner specified in the Holder's online account with the Company's designated broker/stock plan administrator, the Holder and the Company have agreed that the Units are granted under and governed by the terms and conditions of this Agreement (including any country-specific appendix attached hereto) and the Plan.***

*[Signature page follows]*

**IN WITNESS WHEREOF**, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and the Holder has executed this Agreement, all as of the date first above written.

**WEATHERFORD INTERNATIONAL PLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ADDRESS:  
Bahnhofstrasse 1  
Baar 6340, Switzerland  
Attn: Corporate Secretary

**HOLDER:**  
By: \_\_\_\_\_  
Name: \_\_\_\_\_

*(Signature page to the Performance Units Award Agreement)*

## Appendix A — Performance Goal

The Performance Goal used to determine the extent of conversion of the Units into Shares will be Weatherford's closing stock price of the Shares ("Stock Price") averaged for all trading days in the last month of each calendar year ending \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ as set forth below:

Performance Goal	Conversion Percentage*	Average Weatherford International plc closing Stock Price (\$ per share) on each trading day in December in the calendar year ending:		

\*Will be interpolated for intermediate results within the stock price range shown.

## CHANGE IN CONTROL AGREEMENT

This Change in Control Agreement (this “Agreement”) is entered into as of \_\_\_\_\_, 20[ • ] (the “Effective Date”) by and between Weatherford International plc, an Irish public limited company (the “Company”), and the individual signing as “Executive” on the signature page hereto (the “Executive”).

## RECITALS

A. The Board of Directors of the Company has determined that it is in the best interests of the Company and its shareholders to induce the [continued] employment of the Executive for the long-term benefit of the Company.

B. The Board recognizes that, as is the case with many publicly held corporations, the possibility of a Change in Control (as defined below) exists and that such possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Company and its shareholders.

C. The Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Company’s management, including the Executive, to their assigned duties without distraction in the face of potentially disruptive circumstances arising from the possibility of a Change in Control.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties hereto do hereby agree that:

1. Certain Definitions.

- (a) “AAA” shall have the meaning set forth in Section 12.
- (b) “Accrued Obligations” shall mean the sum of (i) the Executive’s Base Salary through the Employment Termination Date for periods through but not following his Separation From Service and (ii) any accrued vacation pay earned by the Executive, in each case, to the extent not theretofore paid.
- (c) “Affiliate” shall have the meaning set forth in Rule 12b-2 of the Exchange Act.
- (d) “Annual Bonus” shall mean the Executive’s annual bonus under the then-current non-equity incentive compensation plan of the Company and any of its Affiliates.
- (e) “Applicable Multiple” shall mean [two] [three].
- (f) “Base Salary” shall mean the annual base salary paid by the Company or any of its Affiliates to the Executive, including any portion thereof that such Executive could have received in cash in lieu of any elective deferrals, but excluding amounts received under any non-equity incentive or other bonus plan.
- (g) “Beneficial Owner” shall have the meaning set forth in Rule 13d-3 of the Exchange Act.
- (h) “Benefit Obligation” shall mean all benefits to which the Executive (or his designated beneficiary or legal representative, as applicable) is entitled or vested (or becomes entitled or vested as a



result of termination) under the terms of all Benefit Plans in which the Executive is a participant as of the Termination of Employment and to the extent not theretofore paid or provided.

(i) “Benefit Plans” shall mean all employee benefit and compensation plans, agreements, arrangements, programs, policies, practices, contracts or agreement of the Company and its Affiliates.

(j) “Board” shall mean the Board of Directors of the Company.

(k) “Cause” shall mean

(i) the willful and continued failure of the Executive to substantially perform the Executive’s duties with the Company (other than any such failure resulting from incapacity due to physical or mental illness or anticipated failure after the issuance of a Notice of Termination for Good Reason by the Executive pursuant to Section 6(a)), after a written demand for substantial performance is delivered to the Executive by the Board that specifically identifies the manner in which the Executive has not substantially performed the Executive’s duties and that the Executive failed to take the corrective action(s) identified by the Company after being given a reasonable period of time to do so; or

(ii) the Executive willfully engaging in illegal conduct or gross misconduct that is demonstrably injurious to the Company.

No act, or failure to act, on the part of the Executive shall be considered “willful” unless it is done, or omitted to be done, by the Executive in bad faith or without reasonable belief that the Executive’s action or omission was in the best interests of the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board [or upon the instructions of the Chief Executive Officer] or based upon the duly informed advice of outside or inside counsel for the Company shall be conclusively presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company. The cessation of employment of the Executive shall not be deemed to be for Cause unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than 3/4ths of the entire membership of the Board at a meeting of the Board called and held for such purpose (after reasonable notice is provided to the Executive, and the Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, the Executive is guilty of the conduct described in paragraph (i) or (ii) above, and specifying the particulars thereof in detail.

(l) “Change in Control” shall be deemed to have occurred if any event set forth in any one of the following paragraphs shall have occurred:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of 30% or more of either (A) the then outstanding ordinary shares of the Company (the “Outstanding Ordinary Shares”) or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Voting Securities”), excluding any Person who becomes such a Beneficial Owner in connection with a transaction that complies with clauses (A), (B) and (C) of paragraph (iii) below;

(ii) individuals, who, as of the Effective Date, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least 2/3rds of the Incumbent Board shall be

considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or any other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) the consummation of an acquisition, reorganization, reincorporation, redomestication, merger, amalgamation, consolidation, plan or scheme of arrangement, exchange offer, business combination or similar transaction of the Company or any of its Subsidiaries or the sale, transfer or other disposition of all or substantially all of the Company's Assets (any of which, a "Corporate Transaction"), unless, following such Corporate Transaction or series of related Corporate Transactions, as the case may be, (A) all of the individuals and Entities who were the Beneficial Owners, respectively, of the Outstanding Ordinary Shares and Outstanding Voting Securities immediately prior to such Corporate Transaction own or beneficially own, directly or indirectly, more than 50% of, respectively, the Outstanding Company Shares and the combined voting power of the Outstanding Voting Securities entitled to vote generally in the election of directors (or other governing body), as the case may be, of the Entity resulting from such Corporate Transaction (including, without limitation, an Entity (including any new parent Entity) which as a result of such transaction owns the Company or all or substantially all of the Company's Assets either directly or through one or more Subsidiaries or Entities) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Ordinary Shares and the Outstanding Voting Securities, as the case may be, (B) no Person (excluding any Entity resulting from such Corporate Transaction or any employee benefit plan (or related trust) of the Company or such Entity resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 30% or more of, respectively, the then outstanding common shares of the Entity resulting from such Corporate Transaction or the combined voting power of the then outstanding voting securities of such Entity except to the extent that such ownership existed prior to the Corporate Transaction and (C) at least a majority of the members of the board of directors (or other governing body) of the Entity resulting from such Corporate Transaction were members of the Incumbent Board at the time of the approval of such Corporate Transaction; or

(iv) approval or adoption by the shareholders of the Company of a plan or proposal which could result directly or indirectly in the liquidation, transfer, sale or other disposal of all or substantially all of the Company's Assets or the dissolution of the Company, excluding any transaction that complies with clauses (A), (B) and (C) of paragraph (iii) above.

(m) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(n) "Company" shall have the meaning set forth in the preamble, and shall include (i) any successor to Weatherford Ireland plc (or any successor to it), including but not limited to any Entity into which Weatherford International plc is merged, consolidated or amalgamated, or any Entity otherwise resulting from a Corporate Transaction and (ii) except in determining under Section 1(l) of this Agreement whether a Change in Control has occurred, any Affiliate of the Company, as applicable, to the extent the Executive is employed by or seconded to any such Affiliate or any Entity to which the Company may assign this Agreement in accordance with Section 13(c).

(o) "Company's Assets" shall mean the assets (of any kind) owned by the Company, including, without limitation, the securities of the Company's Subsidiaries and any of the assets owned by the Company's Subsidiaries.

(p) "Confidential Information" shall have the meaning set forth in Section 11(a).

(q) “Disability” shall mean the Executive’s incapacity due to physical or mental illness that has caused the Executive to be absent from full-time performance of his duties with the Company for a period of six consecutive months in accordance with the Company’s medical leave policies.

(r) “Employment Termination Date” shall mean the date on which the Executive incurs a Termination of Employment.

(s) “Entity” shall mean any corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization or other business entity.

(t) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, or any successor act.

(u) “Exchange Act” shall mean the U.S. Securities Exchange Act of 1934, as amended from time to time.

(v) “Excise Tax” shall mean, collectively, the excise tax imposed by Section 4999 of the Code, together with any interest thereon, any penalties, additions to tax, or additional amounts with respect to such excise tax, and any interest in respect of such penalties, additions to tax or additional amounts.

(w) “Expiration Date” shall have the meaning set forth in Section 2(a).

(x) “Good Reason” shall mean the occurrence of any of the following without the express written consent of the Executive:

(i) the assignment of the Executive to duties materially inconsistent with the Executive’s authorities, duties, responsibilities, and status (including, without limitation, offices, titles and reporting requirements) as an employee of the Company or any of its Affiliates (including, without limitation, any material adverse change in duties or status as a result of the securities of the Company ceasing to be publicly traded or of the Company becoming a subsidiary of another entity, or any material adverse change in the Executive’s reporting relationship), or a reduction or alteration in the nature or status of the Executive’s authorities, duties or responsibilities from the greatest of those in effect (A) on the Effective Date; (B) during the fiscal year immediately preceding the year of the Change in Control; and (C) on the date immediately preceding the Change in Control;

(ii) a material reduction in the Executive’s compensation or benefits, inclusive of bonuses and equity awards, from the greatest levels in place (A) on the Effective Date; (B) during the fiscal year immediately preceding the year of the Change in Control; and (C) on the date immediately preceding the Change in Control, except if such reduction is part of a cost reduction initiative that applies to and affects all executive officers of the Company or any Person that controls the Company equally and proportionately; or

(iii) any failure by the Company to comply with and satisfy Sections 13(b) or (c) (regarding assumption of this Agreement by a successor or assign).

provided, however, that no such event described in (i) through (iii) above shall constitute “Good Reason” if the Company cures such event within 30 days following the Company’s receipt of a Notice of Termination asserting that such event constitutes Good Reason.

(y) “Independent Tax Advisor” shall mean a lawyer with a nationally recognized law firm, a certified public accountant with a nationally recognized accounting firm, or a compensation consultant with a nationally recognized actuarial and benefits consulting firm, in each case with expertise in the area of executive compensation tax law, who shall be selected by the Company and shall be acceptable to the Executive (the Executive’s acceptance not to be unreasonably withheld), and all of whose fees and disbursements shall be paid by the Company.

(z) “IRS” shall mean the U.S. Internal Revenue Service.

(aa) “Notice of Termination” shall have the meaning set forth in Section 6(a).

(bb) “Payments” shall have the meaning set forth in Section 9(a).

(cc) “Payment Delay” shall have the meaning set forth in Section 8(b)(iv).

(dd) “Person” shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) thereof, except that such term shall not include (i) the Company or any of its Affiliates, (ii) a trustee or other fiduciary holding securities under a Benefit Plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering by the Company of such securities, or (iv) an Entity owned, directly or indirectly, by the shareholders of the Company in the same proportions as their ownership of the ordinary shares of the Company.

(ee) “Q/A-24(c) Payments” shall have the meaning set forth in Section 9(c).

(ff) “Reduced Amount” shall have the meaning set forth in Section 9(a).

(gg) “Renewal Date” shall have the meaning set forth in Section 2(b).

(hh) “Section 409A” means Section 409A of the Code and the final Department of Treasury regulations issued thereunder.

(ii) “Section 409A Amounts” means those amounts that are deferred compensation subject to Section 409A.

(jj) “Section 457A” means Section 457A of the Code and the final Department of Treasury regulations issued thereunder.

(kk) “Separation From Service” shall have the meaning ascribed to such term in Section 409A.

(ll) “Specified Employee” shall have the meaning ascribed to such term in Section 409A.

(mm) “Subsidiary” shall mean any majority-owned subsidiary of the Company or any majority-owned subsidiary thereof.

(nn) “Term” shall have the meaning set forth in Section 2(a).

(oo) “Termination of Employment” means the termination of the Executive’s employment relationship with the Company (i) by the Company without Cause or by the Executive for Good Reason, in either case, at any time following a Change in Control, (ii) by the Company without Cause within six months prior to a Change in Control, if such termination is at the request, direction or suggestion, directly or indirectly,

of a Person who enters into an agreement with the Company that constitutes a Change in Control or (iii) by the Executive for Good Reason within six months prior to a Change in Control, and the circumstance or event which constitutes Good Reason occurs at the request, direction or suggestion, directly or indirectly, of such Person described in paragraph (ii) hereof. "Termination of Employment" does not include (A) a termination of employment due to the Executive's death or Disability, or (B) a termination of employment by the Executive without Good Reason.

(pp) "Vesting Date" means the later of (i) the Executive's Separation From Service as a result of the Executive's Termination of Employment following a Change in Control or (ii) a Change in Control (expressly for purposes of (ii) and (iii) in the definition of "Termination of Employment"). For the avoidance of doubt, no amounts or benefits shall be payable hereunder with respect to a Termination of Employment under (ii) and (iii) of such definition unless and until a Change in Control has occurred.

## 2. Term of Agreement.

(a) The "Term" of this Agreement shall commence on the Effective Date and end on (i) the last day of the two-year period beginning on the Effective Date if no Change in Control shall have occurred during that two-year period (such last day being the "Expiration Date"); or (ii) if a Change in Control shall have occurred during (A) the two-year period beginning on the Effective Date or (B) any period for which the Term of this Agreement shall have been automatically extended pursuant to Section 2(b), the last day of the two-year period beginning on the date on which the Change in Control occurred.

(b) After the expiration of the time period described in Section 2(a)(i), and in the absence of a Change in Control (as described in Section 2(a)(ii)), the Term of this Agreement shall be automatically extended for successive two-year periods beginning on the day immediately following the Expiration Date (the beginning date of each successive two-year period being a "Renewal Date"), unless, not later than 12 months prior to the Expiration Date or applicable Renewal Date, the Company shall give notice to the Executive that the Term of this Agreement will not be extended.

## 3. Compensation Other Than Severance Payments.

(a) Equity Based Compensation. On a Vesting Date, all unvested awards, including, without limitation, any restricted shares, restricted share units, share appreciation rights, performance units, dividend equivalent rights, options, bonus shares or other equity or equity-based awards, if any, granted to the Executive under the Company's incentive plans, shall become immediately fully vested and where applicable, exercisable, all restrictions and conditions thereon shall be deemed satisfied in full, and all limitations shall be deemed expired unless otherwise provided (or not permitted) under the applicable award documents.

(b) Compensation and Benefits During Incapacity. Following a Change in Control and during the Term of this Agreement, for any period during which the Executive fails to perform the Executive's full-time duties with the Company as a result of incapacity due to physical or mental illness, but has not had a Separation From Service, the Company shall pay to the Executive, at the time specified in Section 5, the Executive's full salary at the rate in effect at the commencement of such period, together with all compensation and benefits payable to the Executive under the terms of the Company's or its Affiliates' written plans as in effect immediately prior to the date, until the Executive's employment is terminated by the Company for Disability.

(c) Compensation and Benefits upon Death. Following a Change in Control and during the Term, in the event of the Executive's death, the Company shall pay to the Executive's estate, at the time

specified in Section 5, the Executive's Base Salary, together with all compensation and benefits payable to the Executive under the terms of the Company's or its Affiliates' written plans as in effect immediately prior to the date of death, through the date of the Executive's death.

4. Benefits Following Termination of Employment. The benefits described below shall be payable to the Executive upon the occurrence of a Vesting Date during the Term of this Agreement (which benefits shall be paid in accordance with the provisions of Section 5).

(a) Severance Payment. In lieu of any severance payments or benefits otherwise payable to the Executive under any plan or arrangement between the Company or any of its Affiliates and the Executive, the Company shall pay to the Executive:

(i) the Accrued Obligation in a lump sum in cash;

(ii) the Benefit Obligation (subject to the terms of the applicable Benefit Plans); and

(iii) a lump sum cash amount equal to the Applicable Multiple times the sum of (A) the highest rate of the Executive's Base Salary received by the Executive in effect at any time within the prior three fiscal years up to and including the Employment Termination Date and (B) the Executive's average Annual Bonus in respect of the three fiscal years of the Company immediately preceding the fiscal year in which the Employment Termination Date occurs; provided, that for purposes of clauses (A) and (B) of this paragraph (iii), such amounts shall be annualized for any period of employment that is less than one full year.

(b) Prorated Bonus. The Company shall pay to the Executive a lump sum cash amount equal to the product of (i) the Executive's target Annual Bonus for such fiscal year, as determined by the Board in good faith, in which the Employment Termination Date occurs and (ii) a fraction, the numerator of which is the number of days in the current fiscal year through the Employment Termination Date and the denominator of which is 365. The pro-rata bonus payment described in the preceding sentence shall be reduced by any payments received by the Executive under the Company's then current non-equity incentive compensation plan in connection with the Change in Control.

(c) Outplacement. The Company shall provide (or arrange to be provided), at its sole expense as incurred, the Executive (upon his or her request) with reasonable outplacement services for a period of six months of outplacement, commencing with the first full month immediately following the Vesting Date, from a provider selected by the Company. The Company shall directly pay (or cause to be paid) the provider the fees for such outplacement services. The period during which such outplacement services shall be provided to the Executive at the expense of the Company shall not extend beyond the last day of the second taxable year of the Executive following the taxable year of the Executive during which the Executive incurs a Separation From Service.

(d) Welfare Benefit Plans. Commencing immediately after the Vesting Date and continuing for the number of years equal to the Applicable Multiple (or until the date on which the Executive becomes eligible for coverage under a subsequent employer's plan, whichever is earlier), the Company shall continue dental and health benefits to the Executive and the Executive's family equal to those which would have been provided to them in accordance with the dental and health insurance plans, programs, practices and policies in effect immediately prior to the Employment Termination Date as if the Executive's employment had not been terminated (or, if more favorable to the Executive, those provided to the Executive and the Executive's family immediately prior to the first occurrence of an event or circumstance constituting Good Reason);

provided, however, that with respect to any of such dental and health insurance plans, programs, practices or policies requiring an employee contribution, the Executive (or the Executive's heirs or beneficiaries as applicable) shall continue to pay the monthly employee contribution for same.

5. Time of Payments. The Company shall pay (or cause to be paid) to the Executive the amounts or benefits specified in Sections 4(a) and (b) 30 days following the Vesting Date (other than the Benefit Obligation); provided, however, that the *pro rata* bonus payment described under Section 4(b) shall be paid at the time when the Annual Bonus for such year would normally be paid pursuant to the Company's payroll policies. Any salary or compensation described in Sections 3(b) or (c) for periods prior to the Executive's Separation From Service shall be paid to the Executive by the Company on the regularly scheduled payroll dates or on the dates specified in the applicable benefit programs. For the avoidance of doubt, this Section 5 shall not result in a delay of: (i) any payment of Accrued Obligations that otherwise would occur on an earlier date in accordance with applicable law or the usual and customary payroll policies of the Company (as in effect immediately prior to the Termination of Employment) or (ii) any payment of the Benefit Obligation that otherwise would occur pursuant to the terms and conditions of the applicable benefit programs (as in effect immediately prior to the Termination of Employment).

6. Termination Procedures And Compensation During Dispute.

(a) Notice of Termination. During the Term of this Agreement, any purported termination of the Executive's employment shall be communicated by the terminating party to the other party by a written Notice of Termination in accordance with Section 14(g). For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated. No purported termination of the Executive's employment during the Term of this Agreement shall be effective unless the terminating party complies with the procedures set forth in this Section.

(b) Dispute Concerning Termination. If within 15 days after any Notice of Termination is given, or, if later, prior to the Employment Termination Date (as determined without regard to this Section 6(b)), the party receiving such Notice of Termination notifies the other party that a dispute exists concerning the termination, the Employment Termination Date shall be extended until the earlier of (i) the date on which the Term of this Agreement ends or (ii) the date on which the dispute is finally resolved pursuant to Section 12; provided, however, that the Employment Termination Date shall be extended by a notice of dispute given by the Executive only if such notice is given in good faith and the Executive pursues the resolution of such dispute with reasonable diligence.

(c) Compensation During Dispute. If a purported Termination of Employment occurs during the Term of this Agreement and the Employment Termination Date is extended in accordance with Section 6(b), the Company shall continue to pay the Executive's full salary in effect when the notice giving rise to the dispute was given and continue the Executive as a participant in all benefit and insurance plans in which the Executive was participating when the notice giving rise to the dispute was given or those plans in which the Executive was participating immediately prior to the first occurrence of an event or circumstance giving rise to the Notice of Termination, if more favorable to the Executive, until the Employment Termination Date, as determined in accordance with Section 6(b).

7. Withholding. The Company may withhold from any benefits paid under this Agreement all income, employment, and other taxes required to be withheld under applicable law.

8. Rabbi Trust and Section 409A and 457A Compliance.

(a) Rabbi Trust. The Executive shall have no right, title, or interest whatsoever in or to any assets of the Company or any investments which the Company may make to aid it in meeting its obligations under this Agreement. The Executive's right to receive payments under this Agreement shall be no greater than the right of an unsecured general creditor of the Company. The Company may create an irrevocable grantor trust located in the U.S., which shall be subject to the claims of creditors of the Company, to provide any benefits hereunder.

(b) Sections 409A and 457A Compliance. This Agreement, and the benefits payable hereunder, are intended to be exempt from, including specifically pursuant to the short term deferral exemption, or to otherwise comply with, the applicable requirements of Sections 409A and 457A, and this Agreement shall be construed and administered in accordance with such intent, provided that the Company shall not be required to assume any increased economic burden in connection therewith. Although the Company intends to administer this Agreement so that it will be exempt from or otherwise comply with the applicable requirements of Sections 409A and 457A, the Company does not represent or warrant that this Agreement will be exempt from or otherwise comply with Sections 409A or 457A or any other provision of federal, state, local or foreign law. Neither the Company nor its directors, officers, employees or advisers shall be liable to the Executive (or any other individual claiming a benefit through the Executive) for any tax, interest, or penalties the Executive may owe as a result of compensation or benefits paid under this Agreement, and the Company shall have no obligation to indemnify or otherwise protect the Executive from the obligation to pay any taxes pursuant to Sections 409A or 457A or otherwise.

Notwithstanding any provision of this Agreement to the contrary, any compensation or benefit payable hereunder that constitutes a deferral of compensation under Section 409A, as applicable, shall be subject to the following:

(i) The parties agree that, in its sole discretion, the Company may adopt such amendments to this Agreement or take any other actions which are intended, with respect to such compensation or benefit, to either (A) comply with the applicable requirements of Section 409A or (B) satisfy an applicable exception thereto.

(ii) Whenever a payment under this Agreement specifies a payment period, the actual date of payment within such specified period shall be within the sole discretion of the Company to the extent Section 409A may apply, and the Executive shall have no right (directly or indirectly) to determine the year in which such payment is made. In the event a payment period straddles two consecutive calendar years, the payment shall be made in the later of such calendar years.

(iii) No compensation or benefit that is payable upon a Termination of Employment shall be paid unless the Termination of Employment constitutes a Separation From Service, and references in this Agreement to "termination," "Termination of Employment" or like terms shall mean a Separation From Service.

(iv) If the Executive is deemed at the time of the Executive's Separation From Service to be a Specified Employee, to the extent delayed commencement of any portion of the compensation or benefits to which the Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) (any such delayed commencement, a "Payment Delay"), such compensation or benefits shall be provided to the Executive on the earlier to occur of (A) the date that is six months and one day from the date of the Executive's Separation From Service with the Company or (B) the



Executive's death. Upon the earlier of such dates, all payments and benefits deferred pursuant to the Payment Delay shall be paid in a lump sum to the Executive, with interest credited thereon as determined by the Company in the case of any payment under Section 4, and any remaining compensation and benefits due under the Agreement shall be paid or provided as otherwise set forth herein.

(v) Each separately identified amount and each installment payment to which the Executive is entitled to payment shall be deemed to be a separate payment.

(vi) The payment of any compensation or benefit may not be accelerated except to the extent permitted by Section 409A.

(vii) With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (A) the right to payment or reimbursement or in-kind benefits shall not be subject to liquidation or exchange for any other benefit, (B) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during any taxable year of the Executive shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (B) shall not be violated by any lifetime and other annual limits provided under the Company's medical or medical expense plans and (C) such payments shall be made on or before the last day of the Executive's taxable year following the taxable year in which the expense was incurred.

## 9. Certain Tax Matters.

(a) Notwithstanding any other provision of this Agreement or any benefit program or other agreement to the contrary, if any payment or benefit by or from the Company or any of its Affiliates to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, would be subject to the Excise Tax (as hereinafter defined) (all such payments and benefits being collectively referred to herein as the "Payments"), then except as otherwise provided in Section 9(b), the Payments shall be reduced (but not below zero) or eliminated (as further provided for in Section 9(c)) to the extent the Independent Tax Advisor shall reasonably determine is necessary so that no portion of the Payments shall be subject to the Excise Tax (the "Reduced Amount").

(b) Notwithstanding the provisions of Section 9(a), if the Independent Tax Advisor reasonably determines that the Executive would receive, in the aggregate, a greater amount of the Payments on an after-tax basis (including all applicable federal, state, and local income, employment and other applicable taxes and the Excise Tax) if the Payments were not reduced or eliminated to the Reduced Amount pursuant to Section 9(a), then no such reduction shall be made notwithstanding that all or any portion of the Payments may be subject to the Excise Tax.

(c) For purposes of determining which of Section 9(a) and Section 9(b) shall be given effect, the determination of which Payments shall be reduced or eliminated to avoid the Excise Tax shall be made by the Independent Tax Advisor. The Independent Tax Advisor shall provide its determinations, together with detailed supporting calculations and documentation, to the Company and the Executive for their review no later than 10 days after the Vesting Date. If a reduction in payments or benefits is necessary so that the Payments equal the Reduced Amount, reduction shall occur in the following order: first by reducing or eliminating the portion of the Payments that are payable in cash, second by reducing or eliminating the portion of the Payments that are not payable in cash (other than Payments as to which Treasury Regulations Section 1.280G-1 Q/A – 24(c) (or any successor provision thereto) applies ("Q/A-24(c) Payments")), and third by reducing or eliminating Q/A-24(c) Payments. In the event that any Q/A-24(c) Payment or

acceleration is to be reduced, such Q/A-24(c) Payment shall be reduced or cancelled in the reverse order of the date of grant of the awards. The determinations of the Independent Tax Advisor under this Section 9 shall, after due consideration of the Company's and the Executive's comments with respect to such determinations and the interpretation and application of this Section 9, be final and binding on all parties hereto absent manifest error. The Company and the Executive shall furnish to the Independent Tax Advisor such information and documents as the Independent Tax Advisor may reasonably request in order to make the determinations required under this Section 9.

10. Legal Fees. The Company agrees to pay as incurred, to the full extent permitted by law, all legal fees and expenses that the Executive may reasonably incur as a result of any contest by the Company or the Executive of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereto (including as a result of any contest by the Executive about the amount of any payment pursuant to this Agreement), provided that the Executive shall agree and undertake to reimburse the Company for such amounts paid if, but only if, the Executive is determined to have acted in bad faith in connection with the legal dispute, as determined in a final, non-appealable decision by a court of competent jurisdiction.

11. Confidential Information and Non-Solicitation.

(a) Confidential Information. The Company agrees to provide the Executive secret or confidential information, knowledge or data relating to the Company or any of its Affiliates during the Executive's employment. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its Affiliates, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its Affiliates ("Confidential Information"); provided that Confidential Information shall not include information which is or shall become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement), information that is developed by the Executive independently of such information, or knowledge or data or information that is disclosed to the Executive by a third party under no obligation of confidentiality to the Company. After termination of the Executive's employment with the Company, the Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or legal process, communicate or divulge any Confidential Information to anyone other than the Company and those designated by it. Notwithstanding the preceding, nothing in this Agreement will be construed to prohibit the Executive from reporting information to any governmental entity or agency in connection with possible violations of federal law or regulation, or from otherwise protected disclosure under federal law or regulation.

(b) Non-Solicitation. During the period in which the Executive is employed by the Company and for one year following the Employment Termination Date, the Executive agrees that the Executive will not, directly or indirectly, for his benefit or for the benefit of any other person, firm or entity, solicit the employment or services of, or hire, any person who was known to be employed by or was a known consultant to the Company or its Affiliates upon the Employment Termination Date, or within six months prior thereto.

(c) Additional Matters. The Executive and the Company agree and acknowledge that the Company has a substantial and legitimate interest in protecting the Confidential Information and the goodwill of the Company and its Affiliates. The Executive and the Company further agree and acknowledge that the provisions of this Section 11 are reasonably necessary to protect the legitimate business interests and are designed to protect the Confidential Information and the goodwill of the Company and its Affiliates. The Executive agrees that the scope of the restrictions as to time, and scope of activity in this Section 11 are reasonably necessary for the protection of the legitimate business interests of the Company and its Affiliates

and are not oppressive or injurious to the public interest. The Executive agrees that, in the event of a breach or threatened breach of any of the provisions of this Section 11, the Company shall be entitled to injunctive relief against the Executive's activities to the extent allowed by law. The Executive further agrees that any breach or threatened breach of any of the provisions of this Section 11 would cause irreparable injury to the Company for which it would have no adequate remedy at law. The Company and the Executive agree that the remedies specified in this Section 11(c) constitute the Company's sole remedies for a breach of the provisions of this Section 11 by the Executive.

12. Disputes. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing within 30 days after written notice of the claim is provided to the Company in accordance with Section 14(g) and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim and shall further allow the Executive to appeal to the Board a decision of the Committee within 60 days after notification by the Committee that the Executive's claim has been denied. Any further dispute or controversy arising out of or relating to this Agreement, including without limitation, any and all disputes, claims (whether in tort, contract, statutory or otherwise) or disagreements concerning the interpretation or application of the provisions of this Agreement shall be resolved by arbitration in accordance with the rules of the American Arbitration Association (the "AAA") then in effect. Within 10 business days of the initiation of an arbitration hereunder, the Company and the Executive will each separately designate an arbitrator, and within 20 business days of selection, the appointed arbitrators will appoint a neutral arbitrator from the AAA Panel of Commercial Arbitrators. The arbitrators shall issue their written decision (including a statement of finding of facts) within 30 days from the date of the close of the arbitration hearing. The decision of the arbitrators selected hereunder will be final and binding on both parties. This arbitration provision is expressly made pursuant to and shall be governed by the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (or replacement or successor statute). Pursuant to Section 9 of the Federal Arbitration Act, the Company and the Executive agree that a judgment of the United States District Court for the District in which the headquarters of the Company is located at the time of initiation of an arbitration hereunder may be entered upon the award made pursuant to the arbitration.

13. Assignment.

(a) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(b) In addition to any obligations imposed by law upon any successor to the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, amalgamation, scheme of arrangement, exchange offer, operation of law or otherwise (including any purchase, merger, amalgamation, Corporate Transaction or other transaction involving the Company or any Subsidiary or Affiliate of the Company)), to all or substantially all of the Company's business and/or the Company's Assets to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

(c) Notwithstanding anything to the contrary in this Agreement, the Company may assign this Agreement to any Entity, including any Subsidiary or other Affiliate; provided that the Company requires such assignee to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such assignment had taken place.

14. Miscellaneous.

(a) This Agreement is not an employment contract between the Company and the Executive and gives the Executive no right to retain his employment. The employment of the Executive by the Company is “at will,” and may be terminated by either the Executive or the Company at any time, with or without notice and with or without cause, subject to applicable law.

(b) No benefit hereunder shall be subject to anticipation or assignment by the Executive, to attachment by, interference with, or control of any creditor of the Executive, or to being taken or reached by any legal or equitable process in satisfaction of any debt or liability of the Executive prior to its actual receipt by the Executive. Any attempted conveyance, transfer, assignment, mortgage, pledge, or encumbrance of the benefits hereunder prior to payment thereof shall be void.

(c) Each provision of this Agreement may be severed. If any provision is determined to be invalid or unenforceable, that determination shall not affect the validity or enforceability of any other provision.

(d) The Company agrees that if the Executive’s employment with the Company terminates during the Term of this Agreement, the Executive is not required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to this Agreement. Further, except as expressly provided otherwise herein, the amount of any payment or benefit provided for in this Agreement (other than Section 4(d)) shall not be reduced by any compensation earned by the Executive as the result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company, or otherwise.

(e) Except as expressly provided otherwise herein, the payments and benefits provided for in this Agreement are in addition to and not in lieu of amounts and benefits that are earned by the Executive prior to the Employment Termination Date. The Company shall pay the Executive any compensation earned through the Employment Termination Date but not previously paid the Executive as specifically set forth in this Agreement. Amounts that the Executive is entitled to receive under any plan, program, contract or policy of the Company or any of its Affiliates at or subsequent to the Employment Termination Date as specifically set forth herein shall be payable or otherwise provided in accordance with such plan, program, contract or policy, except as expressly modified herein.

(f) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO PRINCIPLES OF CONFLICT OF LAWS, except to the extent that the laws of Ireland mandatorily apply. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(g) All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed: if to the Executive, to the address set forth on the signature page hereto; and, if to the Company, to: Bahnhofstrasse 1, 6340 Baar, Switzerland, Attention: General Counsel or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notices and communications shall be effective when actually received by the addressee.

(h) No provision of this Agreement may be amended, modified, waived or discharged unless such modification, waiver, or discharge is agreed to in writing and signed by the parties hereto, or by the respective parties' legal representatives and successors. For avoidance of doubt, the Executive's or the Company's failure to insist upon strict compliance with any provision of this Agreement or the failure to assert any right the Executive or the Company may have hereunder, including without limitation, the right of the Executive to terminate employment for Good Reason shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement. The obligations of the Company and the Executive under this Agreement which by their nature may require either partial or total performance after the expiration of the Term shall survive such expiration.

(i) This Agreement constitutes the entire agreement and understanding between the parties relating to the subject matter hereof. In the event of any conflict between this Agreement and any other contract, plan, arrangement or understanding between the Executive and the Company (or any Affiliate of the Company), this Agreement shall control.

(j) This Agreement may be executed by the parties hereto in counterparts, and all of such counterparts taken together shall be deemed to constitute one and the same instrument. The delivery of signed counterparts by electronic transmission (including email and .pdf) that includes a copy of the sending party's signature is as effective as signing and delivering the counterpart in person.

*(Remainder of page intentionally left blank)*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the Effective Date.

\_\_\_\_\_  
**[Executive]**

Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Weatherford International plc**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**

I, Bernard J. Duroc-Danner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Weatherford International plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2015

/s/ Bernard J. Duroc-Danner

Bernard J. Duroc-Danner

Chief Executive Officer

## CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Krishna Shivram, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Weatherford International plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a - 15(f) and 15d - 15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2015

/s/ Krishna Shivram

Krishna Shivram

Executive Vice President and

Chief Financial Officer



CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Weatherford International plc (the "Company") for the period ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Bernard J. Duroc-Danner, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bernard J. Duroc-Danner

Name: Bernard J. Duroc-Danner

Title: Chief Executive Officer

Date: July 24, 2015

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The certification the registrant furnishes in this exhibit is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-K of Weatherford International plc (the "Company") for the period ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Krishna Shivram, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Krishna Shivram

Name: Krishna Shivram

Title: Executive Vice President and Chief Financial Officer

Date: July 24, 2015

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The certification the registrant furnishes in this exhibit is not deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.