Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

1b Three-digit plan number (PN) ▶ 012

1c Effective date of plan 09/01/1985

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

SMITH INTERNATIONAL, INC.

1310 RANKIN RD
HOUSTON, TX 77073

2b Employer Identification Number (EIN) 95-3822631

2c Sponsor's telephone number 281-443-3370

2d Business code (see instructions) 211110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/18/2013	MARGARET BAILEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
SMITH INTERNATIONAL, INC.

1310 RANKIN RD
HOUSTON, TX 77073

3b Administrator's EIN
95-3822631

3c Administrator's telephone number
281-443-3370

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name
SAME

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	2056
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	153
b	Retired or separated participants receiving benefits	**6b**	675
c	Other retired or separated participants entitled to future benefits	**6c**	878
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1706
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	196
f	Total. Add lines **6d** and **6e**	**6f**	1902
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 1I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
SMITH INTERNATIONAL, INC.

D Employer Identification Number (EIN)
95-3822631

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2011

2 Assets:

a	Market value	**2a**	16020698
b	Actuarial value	**2b**	15013373

3 Funding target/participant count breakdown:

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	747	9325936
b	For terminated vested participants	**3b**	1017	6061613
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		544633
	(2) Vested benefits	**3c(2)**		611497
	(3) Total active	**3c(3)**	160	1156130
d	Total	**3d**	1924	16543679

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a	Funding target disregarding prescribed at-risk assumptions	**4a**	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	

5	Effective interest rate	**5**	5.81 %
6	Target normal cost	**6**	35000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	Date: 09/20/2012
PAUL M. YIM	11-06083
Type or print name of actuary	Most recent enrollment number
HEWITT ASSOCIATES LLC	281-363-0456
Firm name	Telephone number (including area code)
9500 LAKESIDE BLVD. THE WOODLANDS, TX 77381	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	86012	55552
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	86012	55552
9	Amount remaining (line 7 minus line 8)		
10	Interest on line 9 using prior year's actual return of 12.94%		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		2840917
b	Interest on (a) using prior year's effective rate of 6.86 % except as otherwise provided (see instructions)		194856
c	Total available at beginning of current plan year to add to prefunding balance		3035773
d	Portion of (c) to be added to prefunding balance		1600000
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	1600000

Part III Funding percentages

14	Funding target attainment percentage	14	81.07 %
15	Adjusted funding target attainment percentage	15	81.07 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	81.70 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2011	115000				
07/15/2011	115000				
09/14/2011	741000				
09/10/2012	1100000				
			Totals ► 18(b)	2071000	18(c)

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years.	19a	
b	Contributions made to avoid restrictions adjusted to valuation date	19b	
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1936677

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
2.94%	5.82%	6.46 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	**28**	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	35000
b Excess assets, if applicable, but not greater than 31a	**31b**	

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	3130306	587777
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	622777

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	1600000	1600000

36 Additional cash requirement (line 34 minus line 35)	**36**	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	1936677

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	1936677
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan	**B** Three-digit plan number (PN) ▶	
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN		012
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
SMITH INTERNATIONAL, INC.	95-3822631	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

COMERICA BANK - TEXAS

38-2702003

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 50	NONE	40262	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name: DELOITTE & TOUCHE, LLP

b EIN: 13-3891517

c Position: AUDITOR

d Address: 1111 BAGBY STREET
HOUSTON, TX 77002-4196

e Telephone: 713-982-2000

Explanation: ELECTED TO RETAIN THE SERVICES OF NEW AUDITOR.

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

B Three-digit plan number (PN) ▶ 012

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
SMITH INTERNATIONAL, INC.

D Employer Identification Number (EIN)
95-3822631

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: BOND INDEX FUND

b Name of sponsor of entity listed in (a): COMERICA BANK - TEXAS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)
38-6555716-001	C	7874573

a Name of MTIA, CCT, PSA, or 103-12 IE: FOREIGN EQUITY INDEX FUND

b Name of sponsor of entity listed in (a): COMERICA BANK - TEXAS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)
38-6589861-001	C	1306344

a Name of MTIA, CCT, PSA, or 103-12 IE: S&P 500 INDEX FUND

b Name of sponsor of entity listed in (a): COMERICA BANK - TEXAS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)
38-6555647-001	C	3842153

a Name of MTIA, CCT, PSA, or 103-12 IE: MEDIUM CAP INDEX FUND

b Name of sponsor of entity listed in (a): COMERICA BANK - TEXAS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)
38-6589863-001	C	799353

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP INDEX FUND

b Name of sponsor of entity listed in (a): COMERICA BANK - TEXAS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)
38-3192888-001	C	476927

a Name of MTIA, CCT, PSA, or 103-12 IE: TOTAL US TIPS INDEX FUND

b Name of sponsor of entity listed in (a): COMERICA BANK - TEXAS

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)
27-6889044-001	C	780519

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500
SMITH INTERNATIONAL, INC.

D Employer Identification Number (EIN)
95-3822631

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	3461308	1100000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	12	7687
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	574637	861406
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	12133195	15079869
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	16169152	17048962
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		32473
k Total liabilities (add all amounts in lines 1g through1j)	1k		32473
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	16169152	17016489

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2071000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2071000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	157	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		157
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
(6) Net investment gain (loss) from common/collective trusts	2b(6)		235376
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		2306533
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1379815	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1379815
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	28049	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	51332	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		79381
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1459196
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		847337
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BDO USA, LLP (2) EIN: 13-5381590

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500
SMITH INTERNATIONAL, INC.

D Employer Identification Number (EIN)
95-3822631

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 38-2702003

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 7

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 70.0% Investment-Grade Debt: 25.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 5.0%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☒ Modified duration ☐ Other (specify):

SMITH INTERNATIONAL, INC.
RESTATED PENSION PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES

For the Years Ended December 31, 2011 and 2010
With Independent Auditors' Report

The report accompanying these financial statements was issued by BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of BDO International Limited, a UK company limited by guarantee.

BDO

SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

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BDO

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100 Park Avenue
New York, NY 10017

Independent Auditors' Report

To the Administrative Committee of the
Smith International, Inc. Restated Pension Plan
Houston, Texas

We were engaged to audit the financial statements and supplemental schedules of the Smith International, Inc. Restated Pension Plan (the "Plan") as of December 31, 2011, and for the year then ended, as listed in the accompanying table of contents. These financial statements and supplemental schedules are the responsibility of the Plan's management. The financial statements of the Plan as of and for the year ended December 31, 2010 were reported on by other auditors, whose report dated October 17, 2011 disclaimed an opinion for the reasons set forth below.

As permitted by 29 CFR Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Comerica Bank, the Trustee of the Plan, except for comparing such information with the related information included in the 2011 financial statements and supplemental schedules. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of and for the year ended December 31, 2011, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

Because of the significance of the information in the Plan's 2011 financial statements and supplemental schedules that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2011 financial statements and supplemental schedules taken as a whole. The supplemental schedules of assets (held at end of year) as of December 31, 2011 and of reportable transactions for the year ended December 31, 2011 are presented for the purpose of additional analysis and are not a required part of the basic 2011 financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the 2011 financial statements and supplemental schedules, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

BDO USA, LLP

June 12, 2013

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SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,	2011	2010
Assets		
Investments, at fair value:		
Collective trusts	$ 15,079,869	$ 12,133,195
Short-term investment fund	861,406	574,637
Total investments	15,941,275	12,707,832
Receivables:		
Employer contribution	1,100,000	3,461,308
Due from affiliated plan	6,782	-
Interest and dividends	905	12
Total receivables	1,107,687	3,461,320
Total assets	17,048,962	16,169,152
Liabilities		
Accrued expenses	32,473	-
Total liabilities	32,473	-
Net assets available for benefits	$ 17,016,489	$ 16,169,152

See the accompanying independent auditors' report and notes to financial statements.

SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31,	2011	2010
Additions		
Employer contributions	$ 2,071,000	$ 3,499,404
Investment income:		
Net appreciation in fair value of investments	232,151	1,487,486
Interest and dividends	3,382	214
Net investment income	235,533	1,487,700
Total additions	2,306,533	4,987,104
Deductions		
Benefits paid to participants	1,379,815	702,207
Administrative expenses	79,381	36,039
Total deductions	1,459,196	738,246
Net increase	847,337	4,248,858
Net assets available for benefits:		
Beginning of year	16,169,152	11,920,294
End of year	$ 17,016,489	$ 16,169,152

See the accompanying independent auditors' report and notes to financial statements.

1. Description of the Plan

The following description of the Smith International, Inc. Restated Pension Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) General

The Plan is a defined benefit plan that covers certain employees that were employed by Smith International, Inc. ("Smith"), prior to March 1, 1987, and replaces the terminated Smith International, Inc. Pension Plan. Effective March 1, 1987, Smith froze all benefits and eligibility under the Plan. On August 27, 2010, Schlumberger Limited (the "Company" or "Schlumberger") acquired all of the outstanding shares of Smith and assumed sponsorship of all plans sponsored by Smith and its subsidiaries.

(b) Benefits paid to participants

The Plan allows participants to receive benefit payments after the later of age 65 or five years of participation. Benefit payments are calculated as a percentage of compensation, subject to certain limitations and provisions as defined by the Plan. Benefits are reduced proportionately for less than 35 years of participation. If married at retirement, participants will receive payments made as an actuarially equivalent qualified joint and survivor annuity which provides for a specified pension for the participant's life. Should the participant die after retirement, 50 percent to 100 percent of the pension benefit, as elected, will be paid to the participant's beneficiary. The maximum benefit is limited to the lesser of 100 percent of the average annual compensation or the amount allowed under the Internal Revenue Code of 1986, as amended (the "Code"). Alternatively, a lump sum payment may be paid with spousal consent.

The participants' benefit payments may be distributed through the following methods:

a. Standard 50/50 joint and survivor annuity;
b. Single life annuity;
c. 10-year certain life annuity option;
d. 75 percent/100 percent joint and survivor annuity option;
e. For terminated participants only, a lump sum if accrued benefit does not exceed $5,000.

The Plan allows participants to receive benefit payments after reaching age 55.

The Plan also provides for death benefits to the beneficiaries of vested participants who die before retirement.

(c) Administration and trustee

The Company is the plan administrator as defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan's operations are monitored by an administrative committee which is comprised of officers and employees of the Company. Comerica Bank ("Comerica") is the Trustee of Plan investments during the years ended December 31, 2011 and 2010.

1. Description of the Plan (cont'd)

(d) Funding policy

Employer contributions are determined by an independent actuary, Aon Hewitt ("Hewitt"), formerly Hewitt Associates LLC and are, designed to fund the Plan's estimated costs in accordance with the funding standards of ERISA. The Plan has met the minimum funding requirements of ERISA for the years ended December 31, 2011 and 2010.

(e) Vesting

All Plan participants are fully vested at December 31, 2011 and 2010.

2. Summary of significant accounting policies

(a) Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

(b) Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

(c) Risks and uncertainties

The Plan invests in a short-term investment fund and various collective trusts (consisting of debt and equity index funds). Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

2. Summary of significant accounting policies (cont'd)

(d) Investment valuation and income recognition

The Plan follows the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurement." Under FASB ASC Topic 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price).

FASB ASC Topic 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC Topic 820 are as described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Plan. Unobservable inputs are inputs that reflect the Plan's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. See Note 5 for the disclosures required by FASB ASC Topic 820 with regard to Plan investments.

2. Summary of significant accounting policies (cont'd)

In determining the fair value of investments, the Plan uses various inputs and valuation methodologies which are described in Note 5. There have been no significant changes in the inputs or valuation methodologies used at December 31, 2011 and 2010.

The Plan presents in the statements of changes in net assets available for benefits the net appreciation or depreciation in the fair value of investments, which consists of realized gains or losses on investments sold and unrealized gains or losses on investments held.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

(e) Benefits paid to participants

Benefits paid to participants are recorded upon distribution. There were no benefits payable to participants as of December 31, 2011 or 2010.

(f) Administrative expenses

The Plan is responsible for its administrative expenses. The Company may elect to pay administrative expenses on behalf of the Plan.

(g) New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-06, Fair Value Measurements and Disclosures (Topic 820): *Improving Disclosures about Fair Value Measurements.* ASU 2010-06 mends the disclosure requirements of Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures,* including new disclosures about transfers into and out of Levels 1 and 2 and clarified existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. This portion of the ASU 2010-06 is effective for the Plan in 2010. In addition, there are requirements for separate disclosures relating to Level 3 fair value measurements that are effective for years beginning after December 15, 2010. The adoption of this portion of ASU 2010-06 did not have an impact on the Plan's financial statements.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRs* (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures,* to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

3. Information certified by the Plan's Trustee

The following is a summary of the information regarding the Plan as of December 31, 2011 and 2010, and for the years then ended, included in the Plan's financial statements (including footnotes) and supplemental schedules, that was derived from information prepared by the Trustee of the Plan and furnished to the Plan Administrator. The Plan Administrator has obtained certification from the Trustee that such information is complete and accurate.

	2011	2010
Statements of net assets available for benefits:		
Investments, at fair value:		
Collective trusts	$ 15,079,869	$ 12,133,195
Short-term investment fund	$ 861,406	$ 574,637
Receivables:		
Interest and dividends	$ 905	$ 12
Statements of changes in net assets:		
Net appreciation in fair value of investments	$ 232,151	$ 1,487,486
Interest and dividends	$ 3,382	$ 214

The Plan's independent auditors did not perform auditing procedures with respect to this information, except for comparing such information with the related information included in the financial statements and supplemental schedules.

4. Investments

The Plan's investments which represented 5 percent or more of the Plan's net assets available for benefits as of December 31, are as follows:

	2011	2010
Comercia Bond Index Fund	$ 7,874,574	$ 3,209,886
Comerica S&P 500 Index Fund	$ 3,842,153	$ -
Comerica Foreign Equity Index Fund	$ 1,306,344	$ 1,803,499
Goldman Sachs FS Government Fund	$ 861,406	$ -
Comerica S&P 1500 Index Fund	$ -	$ 7,119,810

4. Investments

For the years ended December 31, 2011 and 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value, as follows:

	2011	2010
Collective trusts	$ 232,151	$ 1,487,486

5. Fair value measurements

The following table sets forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31 2011 and 2010 as discussed in Note 2:

	Investment Assets at Fair Value as of December 31, 2011			
	Level 1	Level 2	Level 3	Total
Debt securities:				
Collective trusts	$ -	$ 8,655,093	$ -	$ 8,655,093
Equity securities:				
U.S.				
Collective trusts	-	5,118,432	-	5,118,432
International:				
Collective trust		1,306,344		1,306,344
Short-term investment fund	-	861,406	-	861,406
Total	$ -	$ 15,941,275	$ -	$ 15,941,275

	Investment Assets at Fair Value as of December 31, 2010			
	Level 1	Level 2	Level 3	Total
Debt securities:				
Collective trust	$ -	$ 3,209,886	$ -	$ 3,209,886
Equity securities:				
U.S.				
Collective trust	-	7,119,810	-	7,119,810
International:				
Collective trust		1,803,499		1,803,499
Short-term investment fund	-	574,637	-	574,637
Total	$ -	$ 12,707,832	$ -	$ 12,707,832

The following is a description of the methodologies used for assets measured at fair value as of December 31, 2011 and 2010:

5. Fair value measurements (cont'd)

Short-term investments are stated at amortized cost which approximates fair value. The units of the collective trusts are stated at net asset value (NAV) as determined by the issuer of the fund based on the fair value of the underlying investments.

The valuation methods as described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table summarizes the Level 2 investments measured at fair value and reported at NAV per share as of December 31, 2011 and 2010:

	Fair value		Unfunded commitments at December 31, 2011	Redemption frequency (if currently eligible)	Redemption notice period
	2011	2010			
Collective trusts:					
Comerica Bond Index Fund [a]	**$ 7,874,573**	$ 3,209,886	$ -	Daily	Same day
Comerica S&P 500 Index Fund [b]	**3,842,153**	-	-	Daily	Same day
Comerica Foreign Equity Fund [c]	**1,306,344**	1,803,499	-	Daily	Same day
Comerica Medium Cap Index Fund [d]	**799,353**	-	-	Daily	Same day
Comerica Total U.S. TIPS Index Fund [e]	**780,519**	-	-	Daily	Same day
Comerica Small Cap Index Fund [f]	**476,927**	-	-	Daily	Same day
Comerica S&P Composite 1500 Index Fund [g]	-	7,119,810	-	Daily	Same day
	$ 15,079,869	12,133,195	$ -		

(a) The Bond Index Fund invests in investment-grade fixed income securities and U.S treasury obligations with maturity of 1-30 years, with a strategy of producing income through investments in fixed income securities. The Bond Index Fund was designed to closely duplicate the investment return of the Barclay's Capital Aggregate Bond Index.

(b) The S&P 500 Index Fund was designed to provide investment results that correspond to the price and yield performance of publicly traded common stocks of companies as represented by the Standard & Poor (S&P) 500 Index, or in other instruments with the same investment objective.

(c) The Foreign Equity Fund invests in common stocks of foreign corporations traded on the New York Stock Exchange, the American Stock Exchange of the National Association of Securities Dealers Automated Quotations.

5. **Fair value measurements (cont'd)**

(d) The Medium Cap Index Fund was designed to provide investment results that correspond to the price and yield performance of common stocks as represented by the S&P Mid Cap 400 Index.

(e) The Total U.S. TIPS Index Fund utilizes a full replication approach that generally corresponds to the Barclays Capital U.S. TIPS Index, which is comprised of treasury inflated protected securities (TIPS) issued by the U.S. Treasury.

(f) The Small Cap Index Fund was designed to provide investment results that correspond to the price and yield of publicly traded common stocks of small-size domestic companies as represented by the S&P Small Cap Index.

(g) The S&P Composite 1500 Index Fund was designed to provide investment results that correspond to the price and yield performance of publicly traded common stocks of companies as represented by the S&P Composite 1500 Index.

6. **Accumulated plan benefits**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered prior to March 1, 1987. The significant actuarial assumptions used in the valuations as of January 1, 2011 and 2010 were (a) discount rate of 6.75%, (b) life expectancy of participants using the IRS Mortality Tables per §1.430(h)(3)-1(e) as published by the Internal Revenue Service (2011 Static Mortality Tables for Annuitants and Non-Annuitants in 2011; 2010 Static Mortality Tables for Annuitants and Non-Annuitants in 2010, which is reflected in other changes in the actuarial present value of accumulated plan benefits) and (c) retirement age assumptions (an assumed retirement age of 62 for active employees and age 65 for terminated employees).

The actuarial method employed by Hewitt in calculating contribution requirements is the unit credit actuarial cost method.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different assumptions would likely apply in determining the actuarial present value of accumulated plan benefits.

6. Accumulated plan benefits (cont'd)

The actuarial present value of accumulated plan benefits as determined by Hewitt as of January 1, was as follows:

	2011	2010
Vested benefits:		
Participants and beneficiaries currently receiving payments	$ 7,169,088	$ 6,366,848
Other vested benefits	7,328,887	7,608,155
	14,497,975	13,975,003
Nonvested benefits	487,706	555,484
Total actuarial present value of accumulated plan benefits	$ 14,985,681	$ 14,530,487

The changes in the actuarial present value of accumulated plan benefits were as follows:

Actuarial present value of accumulated Plan benefits at January 1, 2010	$ 14,530,487
Changes during the year attributable to:	
Increase for interest related to the decrease in the discount period	957,493
Other changes	199,908
Benefits paid	(702,207)
Net change	455,194
Actuarial present value of accumulated plan benefits at January 1, 2011	$ 14,985,681

7. Exempt party-in-interest transactions

The Plan invests in certain shares of collective trusts that are managed by Comerica. Fees paid to Comerica, as Trustee, were $51,332 and $36,039 for the years ended December 31, 2011 and 2010, respectively. These transactions qualify as party-in-interest transactions which are exempt from the prohibited transaction rules of ERISA.

At December 31, 2011 $6,782 is due from the Van Leeuwen Pipe and Tube Corporation Employees' Pension Trust (the "Van Leeuwen Trust") for expenses paid on the Van Leeuwen Trust's behalf.

8. Federal income tax status

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated April 11, 2008, that the Plan and related trust were designed and in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. On March 13, 2012, the Plan received a favorable determination letter with respect to the amended plan.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2008.

9. Plan termination

Although it has not expressed any intention to do so, the Company has the right to terminate the Plan. If the Plan is terminated, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide benefits in the following order:

a) Annuity benefits for former employees or their beneficiaries who have been receiving benefits for at least three years or for employees eligible to retire for that three-year period who would have been receiving benefits if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.

b) Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") up to the applicable limitations.

c) All other vested benefits not insured by the PBGC.

d) All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan is terminated. Generally, the PBGC guarantees most vested normal age retirement benefits and early retirement benefits as well as certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees.

9. Plan termination (cont'd)

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC. Some benefits may be fully or partially provided for by the then existing assets of the Plan and the PBGC guaranty while other benefits may not be provided for at all.

10. Subsequent events

For the purposes of determining the effect of subsequent events on these financial statements, management has evaluated events through June 12, 2013, the date on which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

SCHEDULE H (FORM 5500) - PART IV, LINE 4i:
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-3822631; P.N. 012

DECEMBER 31, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value
Collective trusts:				
*	Comerica Bank	Comerica Bond Index Fund	$ 6,889,833	$ 7,874,573
*	Comerica Bank	Comerica S&P 500 Index Fund	3,739,840	3,842,153
*	Comerica Bank	Comerica Foreign Equity Fund	793,464	1,306,344
*	Comerica Bank	Comerica Medium Cap Index Fund	786,050	799,353
*	Comerica Bank	Comerica Total U.S. TIPS Index Fund	783,050	780,519
*	Comerica Bank	Comerica Small Cap Index Fund	465,230	476,927
	Total collective trusts		13,457,467	15,079,869
Short-term investment fund:				
	Goldman Sachs	Goldman Sachs FS Government Fund	861,406	861,406
	Total		**$ 14,318,873**	**$ 15,941,275**

See accompanying independent auditors' report.

* A party-in-interest as defined by ERISA.

SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

SCHEDULE H (FORM 5500) - PART IV, LINE 4j:
SCHEDULE OF REPORTABLE TRANSACTIONS
E.I.N. 95-3822631; P.N. 012

FOR THE YEAR ENDED DECEMBER 31, 2011

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Category (i) - Single transactions exceeding 5% of the current value of Plan assets:								
Comerica Bank	Comerica S&P 500 Index Fund	$ 993,840	$ -	$ -	$ -	$ 993,840	$ 993,840	$ -
Comerica Bank	Comerica S&P 500 Index Fund	$ 2,746,000	$ -	$ -	$ -	$ 2,746,000	$ 2,746,000	$ -
Comerica Bank	Comerica Bond Index Fund	$ 2,070,500	$ -	$ -	$ -	$ 2,070,500	$ 2,070,500	$ -
Comerica Bank	Comerica Bond Index Fund	$ 2,489,000	$ -	$ -	$ -	$ 2,489,000	$ 2,489,000	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ 4,141,000	$ -	$ -	$ -	$ 4,141,000	$ 4,141,000	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ -	$ 3,948,730	$ -	$ -	$ 3,984,730	$ 3,984,730	$ -
Comerica Bank	Comerica S&S Composite 1500 Index Fund	$ -	$ 6,772,052	$ -	$ -	$ 5,979,378	$ 6,772,052	$ 792,674
Category (iii) - A series of transactions aggregating in excess of the current value of 5% of Plan assets:								
Comerica Bank	Comerica Medium Cap Index Fund	$ 786,050	$ -	$ -	$ -	$ 786,050	$ 786,050	$ -
Comerica Bank	Comerica S&P 500 Index Fund	$ 3,739,840	$ -	$ -	$ -	$ 3,739,840	$ 3,739,840	$ -
Comerica Bank	Comerica Foreign Equity Fund	$ 331,280	$ -	$ -	$ -	$ 331,280	$ 331,280	$ -
Comerica Bank	Comerica Foreign Equity Fund	$ -	$ 605,762	$ -	$ -	$ 360,523	$ 605,762	$ 245,239
Comerica Bank	Comerica Bond Index Fund	$ 4,588,239	$ -	$ -	$ -	$ 4,588,259	$ 4,588,259	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ 5,020,929	$ -	$ -	$ -	$ 5,020,929	$ 5,020,929	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ -	$ 5,595,566	$ -	$ -	$ 5,599,566	$ 5,599,566	$ -
Goldman Sachs	Goldman Sachs FS Government Fund	$ 1,080,091	$ -	$ -	$ -	$ 1,080,091	$ 1,080,091	$ -
Goldman Sachs	Goldman Sachs FS Government Fund	$ -	$ 218,685	$ -	$ -	$ 218,685	$ 218,685	$ -
Comerica Bank	Comerica S&S Composite 1500 Index Fund	$ -	$ 7,179,404	$ -	$ -	$ 6,316,590	$ 7,179,404	$ 862,814

There were no category (ii) or (iv) reportable transactions.

See accompanying independent auditors' report.

Schedule SB Attachment (Form 5500)—2011 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, Part V—Summary of Plan Provisions

Summary of Plan Provisions

The plan provides benefits to participating employees upon normal or early retirement and upon termination of employment if eligible for a deferred vested benefit.

The normal retirement benefit is equal to credited service prior to February 28, 1987 times 1.75% of highest average compensation at February 28, 1987 offset by the lesser of credited service prior to February 28, 1987 times 1.50% of primary Social Security and 52.5% of primary Social Security times years of credited service prior to February 28, 1987 divided by years of service that would be accrued at age 65. The primary Social Security is the age 65 amount calculated by using the Social Security law in effect for 1987 and assuming level future earnings. The benefit is also reduced by the amount of benefit previously accrued under the prior Smith International, Inc. Pension Plan. The prior plan was terminated effective August 31, 1985.

Participants may retire early after age 55 if they have ten or more years of service. The amount of the pension is determined using the same formula as normal retirement with reductions for commencement prior to age 65.

The plan provides for a deferred vested benefit should an employee terminate after accruing five or more years of service. The amount of the pension is determined using the same formula as normal retirement. This benefit is payable at age 65. The participant can elect reduced early commencement as early as age 55.

The plan provides a preretirement surviving spouse benefit should death occur prior to retirement but after accruing five or more years of service. Participants have various elections available to them regarding the form of pension payment after retirement.

Schedule SB, Part V—Summary of Plan Provisions (continued)

Effective Date	September 1, 1985. Most recently amended as of October 28, 1994.
Eligibility for Participation	All regular employees employed prior to March 1, 1987 of any participating Smith International, Inc. division.
Eligibility for Benefits	
Normal	Age 65.
Early	Age 55 and ten years of service.
Termination	Five years of service.
Monthly Benefits	
Normal	(1) reduced by (2) and further reduced by (3) as set forth below: (1) Years of credited service prior to February 28, 1987 times 1-3/4% of the highest average monthly earnings for 60 consecutive months during the 120 months preceding February 28, 1987. (2) Primary age 65 monthly Social Security amount (based on the Social Security law in effect for 1987 and assuming level future earnings) times the lesser of 1-1/2% times years of credited service prior to February 28, 1987 or 52-1/2% times years of credited service prior to February 28, 1987 divided by years of service that would be accrued at age 65. (3) Monthly retirement benefit provided by the predecessor plan.

Schedule SB, Part V—Summary of Plan Provisions (continued)

Monthly Benefits (continued)

Early	The accrued Normal Retirement benefit reduced 3% per year for each year prior to 65 that is between 60 and 65, and 5% per year for each year between 55 and 60.
Termination	The accrued Normal Retirement benefit payable at age 65, or if the employee elects, starting as early as age 55 reduced 3% per year for each year prior to 65 that is between 60 and 65, and 5% per year for each year between 55 and 60.
Normal Form of Benefit	Life annuity. Married employees at the time of retirement are assumed to automatically elect an actuarially equivalent 50% joint and survivor benefit. Other payment options are available.
Preretirement Survivor's Option	Employee must have five or more years of service. If employee is age 55 or older, benefit is 50% of the early retirement benefit payable in the form of a 50% joint and survivor annuity. If employee is younger than age 55, benefit is to commence when employee would have reached age 55 and is equal to 50% of the age 55 benefit payable in the form of a 50% joint and survivor annuity.
Source of Funds	The Company makes contributions as required to fund the Retirement Plan.
Financing Medium	A corporate trustee.
Administration	The Company administers the plan.

SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

SCHEDULE H (FORM 5500) - PART IV, LINE 4i:
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
E.I.N. 95-3822631; P.N. 012

DECEMBER 31, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value
Collective trusts:				
*	Comerica Bank	Comerica Bond Index Fund	$ 6,889,833	$ 7,874,573
*	Comerica Bank	Comerica S&P 500 Index Fund	3,739,840	3,842,153
*	Comerica Bank	Comerica Foreign Equity Fund	793,464	1,306,344
*	Comerica Bank	Comerica Medium Cap Index Fund	786,050	799,353
*	Comerica Bank	Comerica Total U.S. TIPS Index Fund	783,050	780,519
*	Comerica Bank	Comerica Small Cap Index Fund	465,230	476,927
	Total collective trusts		13,457,467	15,079,869
Short-term investment fund:				
	Goldman Sachs	Goldman Sachs FS Government Fund	861,406	861,406
	Total		**$ 14,318,873**	**$ 15,941,275**

See accompanying independent auditors' report.

* A party-in-interest as defined by ERISA.

Schedule SB Attachment (Form 5500)—2011 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, Line 26 – Schedule of Active Participant Data
As of January 1, 2011

EIN: 95-3822631 PN: 012

Number of Participants

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34										
35-39										
40-44										
45-49		16								
50-54		42								
55-59		47								
60-64		47								
65-69		5								
70+		3								

N-168

Schedule SB Attachment (Form 5500)—2011 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, Part V—Statement of Actuarial Assumptions

Valuation Interest Rate	Based on the January 2011 segment rates 2.94%, 5.82%, and 6.46% with an effective interest rate of 5.81%.
Rates of Retirement	The retirement age assumption for active participants is 62. The retirement age assumption for terminated vested is 65.
Mortality Rate	2011 Static Mortality Table for Annuitants and Non-Annuitants Per §1.430(h)(3)-1(e).
Withdrawal	None.
Disability	None.
Asset Valuation Method	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.
Marital Status	85% of all active employees are assumed to be married at time of retirement or death before retirement. Husbands are assumed to be three years older than their spouses.
Employees Included	All regular employees of any participating Smith International, Inc. division who have credited service prior to February 28, 1987, have been included in the valuation.
Actuarial Method	Standard Unit Credit Cost Method.
Valuation Date	January 1, 2011.

Schedule SB Attachment (Form 5500)—2011 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, line 32—Schedule of Amortization Bases

Type	Present Value of Outstanding Amount	Date Established	Years Remaining	Amortization Amount
Shortfall	$ 1,218,158	01/01/2011	7	$ 196,850
Shortfall	$ 1,099,026	01/01/2010	6	$ 200,696
Shortfall	$ 446,388	01/01/2009	5	$ 94,525
Shortfall	$ 366,734	01/01/2008	4	$ 95,706

Schedule SB Attachment (Form 5500)—2011 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, line 19—Discounted Employer Contributions

Date	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution
April 14, 2011	$ 115,000	2011	5.81%	$ 113,182
July 15, 2011	$ 115,000	2011	5.81%	$ 111,582
September 14, 2011	$ 741,000	2011	5.81%	$ 712,223
September 10, 2012	$ 1,100,000	2011	5.81%	$ 999,690
Total	$ 2,071,000			$ 1,936,677

Schedule SB Attachment (Form 5500)—2011 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, line 22—Description of Weighted Average Retirement Age

This plan used a single-point retirement age of 62, therefore no weighted average is calculated.

Notice to Terminated Accountant or Enrolled Actuary

I, as plan administrator, verify that the explanation that is reproduced below or attached to this notice is the explanation concerning your termination reported on Schedule C (Form 5500) attached to the 2011 Form 5500, Annual Return / Report of Employee Benefit Plan, for the SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN. This Form 5500 is identified in line 2b by the nine-digit EIN 95-3822631, and in line 1b by the three-digit PN 012.

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN, and PN of the plan and be submitted to:

Office of Enforcement,
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Name: DELOITTE & TOUCHE, LLP

Explanation:
ELECTED TO RETAIN THE SERVICES OF NEW AUDITOR.

Margaret Barley
Signed

6-18-13
Dated

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210 - 0110
1210 - 0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for: [ ] a multiemployer plan; [ ] a multiple-employer plan; or [X] a single-employer plan; [ ] a DFE (specify) _____

B This return/report is: [ ] the first return/report; [ ] the final return/report; [X] an amended return/report; [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here ..... ▶ [ ]

D Check box if filing under: [X] Form 5558; [ ] automatic extension; [ ] the DFVC program; [ ] special extension (enter description)

Part II Basic Plan Information - enter all requested information

1a Name of plan
SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

1b Three-digit plan number (PN) ▶ 012

1c Effective date of plan 09/01/1985

2a Plan sponsor's name and address, including room or suite number (Employer, if for a single-employer plan)

SMITH INTERNATIONAL, INC.

1310 RANKIN RD

HOUSTON TX 77073

2b Employer Identification Number (EIN) 95-3822631

2c Sponsor's telephone number 281-443-3370

2d Business code (see instructions) 211110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Margaret Bailey Signature of plan administrator	6-18-13 Date	MARGARET BAILEY Enter name of individual signing as plan administrator
SIGN HERE	Margaret Bailey Signature of employer/plan sponsor	6-18-13 Date	MARGARET BAILEY Enter name of individual signing as employer or plan sponsor
SIGN HERE	 Signature of DFE	 Date	 Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") SAME	**3b** Administrator's EIN **3c** Administrator's telephone number

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: **a** Sponsor's name SAME	**4b** EIN **4c** PN

5	Total number of participants at the beginning of the plan year	**5**	2056
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	153
b	Retired or separated participants receiving benefits	**6b**	675
c	Other retired or separated participants entitled to future benefits	**6c**	878
d	Subtotal. Add lines **6a, 6b,** and **6c**	**6d**	1706
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	196
f	Total. Add lines **6d** and **6e**	**6f**	1902
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 1I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	**9b** Plan benefit arrangement (check all that apply)
(1) [ ] Insurance	(1) [ ] Insurance
(2) [ ] Code section 412(e)(3) insurance contracts	(2) [ ] Code section 412(e)(3) insurance contracts
(3) [X] Trust	(3) [X] Trust
(4) [ ] General assets of the sponsor	(4) [ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules	**b General Schedules**
(1) [X] **R** (Retirement Plan Information)	(1) [X] **H** (Financial Information)
(2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) [ ] **I** (Financial Information - Small Plan)
	(3) [ ] **A** (Insurance Information)
	(4) [X] **C** (Service Provider Information)
(3) [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(5) [X] **D** (DFE/Participating Plan Information)
	(6) [ ] **G** (Financial Transaction Schedules)

SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN

SCHEDULE H (FORM 5500) - PART IV, LINE 4j:
SCHEDULE OF REPORTABLE TRANSACTIONS
E.I.N. 95-3822631; P.N. 012

FOR THE YEAR ENDED DECEMBER 31, 2011

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Category (i) - Single transactions exceeding 5% of the current value of Plan assets:								
Comerica Bank	Comerica S&P 500 Index Fund	$ 993,840	$ -	$ -	$ -	$ 993,840	$ 993,840	$ -
Comerica Bank	Comerica S&P 500 Index Fund	$ 2,746,000	$ -	$ -	$ -	$ 2,746,000	$ 2,746,000	$ -
Comerica Bank	Comerica Bond Index Fund	$ 2,070,500	$ -	$ -	$ -	$ 2,070,500	$ 2,070,500	$ -
Comerica Bank	Comerica Bond Index Fund	$ 2,489,000	$ -	$ -	$ -	$ 2,489,000	$ 2,489,000	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ 4,141,000	$ -	$ -	$ -	$ 4,141,000	$ 4,141,000	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ -	$ 3,948,730	$ -	$ -	$ 3,984,730	$ 3,984,730	$ -
Comerica Bank	Comerica S&S Composite 1500 Index Fund	$ -	$ 6,772,052	$ -	$ -	$ 5,979,378	$ 6,772,052	$ 792,674
Category (iii) - A series of transactions aggregating in excess of the current value of 5% of Plan assets:								
Comerica Bank	Comerica Medium Cap Index Fund	$ 786,050	$ -	$ -	$ -	$ 786,050	$ 786,050	$ -
Comerica Bank	Comerica S&P 500 Index Fund	$ 3,739,840	$ -	$ -	$ -	$ 3,739,840	$ 3,739,840	$ -
Comerica Bank	Comerica Foreign Equity Fund	$ 331,280	$ -	$ -	$ -	$ 331,280	$ 331,280	$ -
Comerica Bank	Comerica Foreign Equity Fund	$ -	$ 605,762	$ -	$ -	$ 360,523	$ 605,762	$ 245,239
Comerica Bank	Comerica Bond Index Fund	$ 4,588,239	$ -	$ -	$ -	$ 4,588,259	$ 4,588,259	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ 5,020,929	$ -	$ -	$ -	$ 5,020,929	$ 5,020,929	$ -
Goldman Sachs	Goldman Sachs FS Money Market Fund	$ -	$ 5,595,566	$ -	$ -	$ 5,599,566	$ 5,599,566	$ -
Goldman Sachs	Goldman Sachs FS Government Fund	$ 1,080,091	$ -	$ -	$ -	$ 1,080,091	$ 1,080,091	$ -
Goldman Sachs	Goldman Sachs FS Government Fund	$ -	$ 218,685	$ -	$ -	$ 218,685	$ 218,685	$ -
Comerica Bank	Comerica S&S Composite 1500 Index Fund	$ -	$ 7,179,404	$ -	$ -	$ 6,316,590	$ 7,179,404	$ 862,814

There were no category (ii) or (iv) reportable transactions.

See accompanying independent auditors' report.

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	2011 This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan	B Three-digit plan number (PN) ▶	012
Smith International, Inc. Restated Pension Plan		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	**D** Employer Identification Number (EIN)	
Smith International, Inc.	95-3822631	

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2011			
2	Assets:			
	a Market value	2a		16,020,698
	b Actuarial value	2b		15,013,373
3	Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	747	9,325,936
	b For terminated vested participants	3b	1,017	6,061,613
	c For active participants:			
	(1) Non-vested benefits	3c(1)		544,633
	(2) Vested benefits	3c(2)		611,497
	(3) Total active	3c(3)	160	1,156,130
	d Total	3d	1,924	16,543,679
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		5.81 %
6	Target normal cost	6		35,000

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary — Date: 09/20/2012

Paul M. Yim — Type or print name of actuary

11-06083 — Most recent enrollment number

Hewitt Associates LLC — Firm name

(281) 363-0456 — Telephone number (including area code)

9500 Lakeside Blvd.

The Woodlands TX 77381 — Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	86,012	55,552
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	86,012	55,552
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 12.94 %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		2,840,917
b	Interest on (a) using prior year's effective rate of 6.54 % except as otherwise provided (see instructions)		194,856
c	Total available at beginning of current plan year to add to prefunding balance		3,035,773
d	Portion of (c) to be added to prefunding balance		1,600,000
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	1,600,000

Part III Funding percentages

14	Funding target attainment percentage	14	81.07 %
15	Adjusted funding target attainment percentage	15	81.07 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	81.70 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2011	115,000				
07/15/2011	115,000				
09/14/2011	741,000				
09/10/2012	1,100,000				
			Totals • 18(b)	2,071,000	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1,936,677

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
2.94 %	5.82 %	6.46 %	

b Applicable month (enter code)	**21b**	0
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):		
a Target normal cost (line 6)	**31a**	35,000
b Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	3,130,306	587,777
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	622,777

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	1,600,000	1,600,000

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	1,936,677
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	1,936,677
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	