

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2015 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ 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:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>THE ROWAN PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>	
	1c Effective date of plan	<u>01/01/1952</u>	
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ROWAN COMPANIES, INC.</u> <u>2800 POST OAK BLVD., SUITE 5450</u> <u>HOUSTON, TX 77056</u>	2b Employer Identification Number (EIN) <u>75-0759420</u>	2c Plan Sponsor's telephone number <u>713-621-7800</u>	2d Business code (see instructions) <u>211110</u>

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.	10/13/2016	GARY L. MARSH
	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
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☐ Same as Plan Sponsor ADMINISTRATOR, ROWAN PENSION PLAN 2800 POST OAK BLVD STE 5450 HOUSTON, TX 77056	3b Administrator's EIN 74-1981236
	3c Administrator's telephone number 713-621-7800
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	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 5327
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 1438
a(2) Total number of active participants at the end of the plan year	6a(2) 1499
b Retired or separated participants receiving benefits.....	6b 1810
c Other retired or separated participants entitled to future benefits.....	6c 1631
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 4940
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 298
f Total. Add lines 6d and 6e	6f 5238
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 45
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 Characteristics Codes in the instructions: 1A 1C 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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) ☒ 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) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ 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 THE ROWAN PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ROWAN COMPANIES, INC.	D Employer Identification Number (EIN) 75-0759420

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B **F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2015			
2 Assets:			
a Market value	2a	589240969	
b Actuarial value	2b	583057840	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	2044	318417995	318417995
b For terminated vested participants	1872	131572185	131572185
c For active participants	1583	136127683	137941194
d Total	5499	586117863	587931374
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	6.35 %	
6 Target normal cost	6	14625656	

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		10/05/2016
Signature of actuary		Date
KEVIN BILLS		14-07029
Type or print name of actuary		Most recent enrollment number
MERCER		713-276-2100
Firm name		Telephone number (including area code)
500 DALLAS STREET, SUITE 1400 HOUSTON, TX 77002-4800		
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)	0	38211710
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	32662877
9 Amount remaining (line 7 minus line 8)	0	5548833
10 Interest on line 9 using prior year's actual return of <u>5.32</u> %	0	295198
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.54</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance		0
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	5844031

Part III Funding Percentages		
14 Funding target attainment percentage.....	14	98.17 %
15 Adjusted funding target attainment percentage	15	98.17 %
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	93.81 %
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
04/15/2015	2322000	0			
07/15/2015	6000000	0			
01/15/2016	2831000	0			
09/15/2016	2552000	0			
			Totals ►	18(b)	13705000
				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	13040902
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?..... ☒ Yes ☐ No		
c If line 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
0	0	0
		(4) 4th
		0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 52
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 subject to 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	14625656	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	10717565	4259100	
b Waiver amortization installment		0	
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	18884756	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	5844031	5844031
36 Additional cash requirement (line 34 minus line 35)	36	13040725	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	13040902	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	177	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	177	
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 an election was made to use PRA 2010 funding relief for this plan:			
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		

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan THE ROWAN PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ROWAN COMPANIES, INC.	D Employer Identification Number (EIN) 75-0759420	

Part I	Service Provider Information (see instructions)
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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)

UBS

06-1452020

(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?
28	NONE	315209	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER

13-2834414

(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?
11 17	NONE	246920	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

JP MORGAN CHASE

13-4994650

(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?
21	NONE	216880	Yes ☒ No ☐	Yes ☒ No ☐	0	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)

STATE STREET

04-1867445

(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?
28	NONE	187830	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

CENTERSQUARE INVESTMENT MANAGEMENT

23-2817243

(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?
28	NONE	144901	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

MCCONNELL & JONES LLP

76-0488832

(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?
10	NONE	21390	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
JP MORGAN CHASE	21	0
(d) Enter name and EIN (address) of source of indirect compensation JP MORGAN CHASE BANK 13-4994650		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. BORROWERS THAT USE JP MORGAN AS THEIR CLEARING BANK PAY JP MORGAN A NEGOTIATED FEE OF \$0.75-\$2.00 FOR EACH RECEIPT OR DELIVERY OF BORROWED SECURITIES		
(a) Enter service provider name as it appears on line 2 JP MORGAN CHASE		
(b) Service Codes (see instructions) 21		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation JP MORGAN CHASE BANK 13-4994650		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REPURCHASE AGREEMENT COUNTERPARTIES THAT USE JP MORGAN AS THEIR CLEARING BANK PAY JP MORGAN A NEGOTIATED FEE EITHER UP TO \$25 PER TRANSACTION AND AN ANNUAL FEE OF UP TO 3 BASIS POINTS (ON AVERAGE) ON THE SECURITY COLLATERAL HELD AS TRI-PARTY AGENT		
(a) Enter service provider name as it appears on line 2 JP MORGAN CHASE		
(b) Service Codes (see instructions) 21		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation JP MORGAN CHASE BANK 13-4994650		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. REPURCHASE AGREEMENT COUNTERPARTIES THAT USE JP MORGAN AS THEIR CLEARING BANK PAY JP MORGAN A NEGOTIATED FEE EITHER UP TO \$25 PER TRANSACTION AND AN ANNUAL FEE OF UP TO 3 BASIS POINTS (ON AVERAGE) ON THE NONCASH COLLATERAL HELD		

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

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

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:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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 <hr/> 2015 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>THE ROWAN PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</u>	

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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SSGA RUSSEL 2000 INDEX NL FUND</u>		
b Name of sponsor of entity listed in (a): <u>JP MORGAN</u>		
c EIN-PN <u>04-0025081-013</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>36408948</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SSGA MSCI ACWI EX USA NON-LENDING F</u>		
b Name of sponsor of entity listed in (a): <u>JP MORGAN</u>		
c EIN-PN <u>90-0337987-159</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>128426589</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SSGA S&P 500 FLAGSHIP NON-LENDING F</u>		
b Name of sponsor of entity listed in (a): <u>JP MORGAN</u>		
c EIN-PN <u>04-0025081-004</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>135711536</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SSGA U.S. AGGREAGATE BOND INDEX NON</u>		
b Name of sponsor of entity listed in (a): <u>JP MORGAN</u>		
c EIN-PN <u>04-0025081-070</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>75910465</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>URDANG EB GLOBAL REAL ESTATE SECURI</u>		
b Name of sponsor of entity listed in (a): <u>THE BANK OF NEW YORK MELLON</u>		
c EIN-PN <u>25-6078093-183</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>19271854</u>
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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan THE ROWAN PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ROWAN COMPANIES, INC.	D Employer Identification Number (EIN) 75-0759420	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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 Total noninterest-bearing cash	1a			
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions	1b(1)	0		5383000
(2) Participant contributions	1b(2)			
(3) Other.....	1b(3)	75		19
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	8327511		11862388
(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)	1015		894
(5) Partnership/joint venture interests	1c(5)	56424258		63692440
(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)	438075557		395729392
(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)	86324934		76135771
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)			
(15) Other	1c(15)	87620		0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	589240970	552803904

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	589240970	552803904
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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)	13705000	
(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)		13705000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(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)		0
(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)	3812037	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		3812037
(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)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	3671170	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		3671170

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-5860442
(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)		1973297
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		17301062

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	50074674	
(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)		50074674
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)	268310	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	647939	
(4) Other	2i(4)	2747205	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		3663454
j Total expenses. Add all expense amounts in column (b) and enter total	2j		53738128

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-36437066
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) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: MCCONNELL & JONES, L.L.P.

(2) EIN: 76-0488832

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	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.)		☒		
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.)		☒		

	Yes	No	N/A	Amount
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.)		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.)		X		
e Was this plan covered by a fidelity bond?	X			5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.)	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.)	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?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

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 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>THE ROWAN PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</u>

Part I	Distributions
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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	<u>0</u>
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): <u>13-3795042</u>		
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	<u>351</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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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
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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
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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.
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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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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
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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 lines (a) through (c) a Enter the percentage of plan assets held as: Stock: <u>62.0</u> % Investment-Grade Debt: <u>24.0</u> % High-Yield Debt: <u>4.0</u> % Real Estate: <u>8.0</u> % Other: <u>2.0</u> % 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 line 19(b)? ☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

THE ROWAN PENSION PLAN

Financial Statements
And Independent Auditors' Report

December 31, 2015 and 2014

**THE ROWAN PENSION PLAN
DECEMBER 31, 2015 AND 2014**

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Note: Other supplemental schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for reporting and disclosure under the Employee Retirement Income Security Act of 1974, as amended, have been omitted because they are not applicable.



Independent Auditors' Report

To the Participants and Plan Administrator of
The Rowan Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Rowan Pension Plan (the Plan), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2015 and 2014, and the related Statements of Changes in Net Assets Available for Benefits for the years then ended, and the related Notes to Financial Statements.

Plan Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), Plan management instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by JPMorgan Chase Bank, N.A. the trustee of the Plan (Trustee), except for comparing such information with the related information included in the financial statements. We have been informed by Plan management that the Trustee holds the Plan's investment assets and executes investment transactions. Plan management has obtained a certification from the Trustee as of December 31, 2015 and 2014 and for the years then ended, that the information provided to Plan management by the Trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplementary information listed in the Table of Contents as of and for the year ended December 31, 2015 is required by DOL Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplementary information.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee has been audited by us in accordance with US GAAS and, in our opinion, is presented in compliance with DOL Rules and Regulations for Reporting and Disclosure under ERISA.

McConnell & Jones LLP

Houston, Texas
October 13, 2016

THE ROWAN PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS:		
Investments, at fair value		
Money market fund	\$ 11,862,388	\$ 8,327,511
Registered investment companies	76,135,771	86,324,934
Common/collective trust	395,729,392	438,075,557
Partnerships/joint venture interest	63,692,440	56,424,258
Other assets	894	88,635
Total investments	<u>547,420,885</u>	<u>589,240,895</u>
Receivables:		
Employer contributions	5,383,000	-
Other receivables	<u>19</u>	<u>75</u>
Total receivables	<u>5,383,019</u>	<u>75</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u>\$ 552,803,904</u>	 <u>\$ 589,240,970</u>

See Notes to Financial Statements

THE ROWAN PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ADDITIONS:		
Net appreciation in fair value of investments	\$ -	\$ 27,036,574
Interest and dividends	3,812,037	2,918,040
Employer contributions	13,705,000	-
	<u>17,517,037</u>	<u>29,954,614</u>
TOTAL ADDITIONS		
DEDUCTIONS:		
Benefit payments	(50,074,674)	(31,143,873)
Administrative expenses	(3,663,454)	(2,425,217)
Net depreciation in fair value of investments	(215,975)	-
	<u>(53,954,103)</u>	<u>(33,569,090)</u>
TOTAL DEDUCTIONS		
NET (DECREASE)	(36,437,066)	(3,614,476)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>589,240,970</u>	<u>592,855,446</u>
End of year	<u>\$ 552,803,904</u>	<u>\$ 589,240,970</u>

See Notes to Financial Statements

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 1: DESCRIPTION OF THE PLAN

The following description of the The Rowan Pension Plan (the Plan) is provided for general informational purposes only. Participants should refer to the Plan document and the *Summary Plan Description* for more complete information.

General

The Plan is a defined benefit pension plan covering eligible employees of Rowan Companies, Inc. (Rowan) and its drilling company subsidiaries. The Plan Administrative Committee of Rowan and the plan administrator control and manage the operation and administration of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Pension Benefits

Employees are entitled to pension benefits upon retirement, after three years of service as defined by the Plan. There is no partial vesting of benefits. The Plan provides for normal retirement benefits upon reaching the age of 60 and for early retirement benefits between the ages of 40-59. The Plan also has provisions for death benefits and for benefits payable upon meeting certain other conditions.

Upon retirement, the amount of annual benefits under the Plan for participants hired before January 1, 2008, is determined under a traditional defined benefit formula as 1.75% of the compensation base, as defined in the Plan document, multiplied by the number of years of service. The Plan provides for an annual cost-of-living adjustment to benefits of up to 2%. Employees hired on or after January 1, 2008, are subject to a cash balance benefit formula. Such employees are credited with an amount every year equal to 5% of their cash compensation paid during the year. The account balance is also credited with interest each quarter based on the 10-year Treasury rate.

On June 30, 2009, the traditional defined benefit formula under the Plan was frozen. Effective with the amendment and restatement of the Plan, on July 1, 2009, the Plan transitioned to the new cash balance formula for future benefits as described above. A participant's total benefit is calculated as the sum of (i) the value of the traditional defined benefit at June 30, 2009 (Frozen Benefit), plus (ii) the cash balance benefit, which increases annually. In addition, employees whose age plus years of vesting service on June 30, 2009 was equal to 50 or greater will receive annual transition pay credits as defined in the Plan document. Future benefits, under the cash balance formula, accrue at a lower amount than the traditional defined benefit formula.

Employees of LeTourneau Group who have attained normal retirement age are entitled to the following monthly benefits:

- (1) 1% of the average monthly compensation, less 1% of the monthly primary Social Security Benefit, multiplied by the total years of service; plus

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

- (2) Monthly accrued benefit derived from member contributions transferred from a predecessor plan, if any.

Normal retirement age is the later of the date the employee reaches age 65 or the fifth anniversary of the date participation commenced. Participants may elect early retirement upon attaining the age of 55 or upon any date between the ages of 55 and 65, after completing five years of service. Benefits will be reduced according to the formula specified in the Plan agreement. Participants may elect to postpone retirement beyond normal retirement age and will continue to accrue benefits based on monthly average compensation earned to the earlier of the date of actual retirement or age 70½. Unless a retired participant elects otherwise, a married participant will receive an actuarially reduced benefit, payable for life and, upon his or her death, 50% of the benefit will be payable to the surviving spouse. An unmarried participant will receive an unreduced benefit for only his or her lifetime.

Plan Termination

Rowan expects to continue the Plan indefinitely but reserves the right to terminate it by duly adopted written resolutions of its Board of Directors.

In the event the Plan terminates, the assets of the Plan will be allocated, as prescribed by Section 4044 of ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- (1) Vested benefits insured by the Pension Benefit Guaranty Corporation (the PBGC) up to the applicable limitations (discussed below).
- (2) All other vested benefits (those not insured by the PBGC).
- (3) All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested, normal retirement age benefits and certain disability and survivors' 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.

Whether all participants receive their benefit should the Plan terminate, at some future time, will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Use of Estimates

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

Investment Valuation and Income Recognition

In 2015 and 2014, the assets of the Plan were held by JPMorgan Chase Bank, N.A. (the Trustee) under a trust agreement adopted by Rowan. The terms of the trust agreement provides investment managers and the Trustee with full discretionary authority for the purchase and sale of investments.

The Plan's investments are stated at fair value as determined by the Trustee based on the latest quoted market values of the underlying securities.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned and dividends are recorded on the ex-dividend date. The net increase in fair value of investments consists of the net change in unrealized gains (losses) in fair values and realized gains (losses) upon the sale of investment securities. The net change in unrealized gains (losses) and realized gains (losses) upon sale are determined using the fair values as of the beginning of the year or the purchase price if acquired during the year.

As defined in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures* (FASB ASC 820), fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Plan considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

FASB ASC 820 establishes a framework for measuring fair value as it relates to financial assets and liabilities and to nonfinancial assets and liabilities measured at fair value on a recurring basis. That framework provides a three-level valuation hierarchy based upon observable and unobservable inputs, with preference given to observable inputs. The three levels of the fair value hierarchy under FASB ASC 820 are described below:

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

- Level 1: Inputs are unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Inputs, other than quoted prices included in Level 1 that are observable either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, and inputs other than quoted prices that are observable for the assets or liabilities; and
- Level 3: Inputs are unobservable for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. Unobservable inputs reflect the Plan's judgments about the assumptions market participants would use in pricing the asset or liability since limited market data exists. Unobservable inputs are based on the best information available in the circumstances.

The asset 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 observable inputs.

Money market fund: This fund is valued using unadjusted quoted market prices for identical assets.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common/collective trusts: The interest in the common/collective trusts is stated at NAV provided by the administrator of the funds. The NAV is used as a practical expedient and is based on the value of the underlying assets owned by the funds, minus its liabilities, and divided by the number of units outstanding. The funds are classified within Level 2 of the valuation hierarchy because the underlying investments are traded in an active market.

Limited Partnerships: The interest in these funds has been valued using the limited partner's capital contributions, withdrawal or distributions, the allocation of the partnership's net profits and losses and any other capital account adjustments. Investments in this category are generally classified as Level 3, however, investments may be classified as Level 2 if net asset value is determined and the investment is redeemable at NAV in the capital account on a regular frequency.

Contributions

Contributions to the Plan from Rowan are recorded in the period that the Plan's actuary determines they relate to except that a contribution receivable is recorded to the extent that amounts due are pursuant to formal commitments as well as legal or contractual requirements in existence at the end of the Plan year.

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Payment of Benefits

Benefits are recorded when paid.

Expenses of the Plan

Most expenses incurred in the administration of the Plan are paid by the Plan. These expenses include fees and expenses of the Trustee, fund managers and consultants. Any other expenses incurred in the operation of the Plan are paid by Rowan.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on eligible earnings and credited service on the date on which the benefit information is presented (the valuation date). Benefits payable under all circumstances (retirement, death, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Management's Review of Subsequent Events

In preparing the accompanying financial statements, Plan management has reviewed all known events that have occurred after December 31, 2015, through October 13, 2016, for inclusion in the financial statements and footnotes.

New Accounting Standards

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* (ASU 2015-07). ASU 2015-07 removes the requirement to include investments in the fair value hierarchy for which fair value is measured using the net asset value per share practical expedient under Accounting Standards Codification (ASC) 820. ASU 2015-07 is effective for the Plan retrospectively for the year beginning after December 15, 2015 with early adoption permitted. Plan management is currently evaluating the impact of the pending adoption of ASU 2015-07 on the Plan's financial statements.

In July 2015, the FASB issued ASU No. 2015-12, "(Part I) *Fully Benefit-Responsive Investment Contracts*, (Part II) *Plan Investment Disclosures*, (Part III) *Measurement Date Practical Expedient*" (ASU 2015-12). The ASU 2015-12 (i) requires a pension plan to use contract value as the only measure for fully benefit-responsive investment contracts, (ii) requires an employee benefit plan to disaggregate its investments only by general type and eliminates the requirement to disaggregate by nature, characteristics and risks of the investment, eliminates the requirement to disclose the net appreciation or depreciation in fair value of investments by general type, eliminates the requirement to disclose individual investments with a value equal to or greater than 5% of net assets available for benefits, and

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

eliminates the requirement to disclose the fair value information about significant investment strategies for an investment in a fund that files an annual report on Form 5500 as a direct filing entity when that investment is measured using the net asset value per share practical expedient, and (iii) allows a plan with a fiscal year end that does not end at the end of a calendar month to measure its investments and investment-related accounts using the month end closest to its fiscal year end. The ASU 2015-12 is effective for fiscal years beginning after December 15, 2015, with early application permitted. An entity is required to apply the amendments retrospectively for all statements presented except for Part III which requires a prospective application. Plan management is currently evaluating the impact of the pending adoption of ASU 2015-12 on the Plan's financial statements.

NOTE 3: INVESTMENT AND INVESTMENT INCOME (CERTIFIED BY TRUSTEE)

The following presents the Plan's investments and related investment income as of December 31, 2015 and 2014 and for the year ended December 31, 2015. This information has been certified by the Trustee, as permitted by 29 CFR 2520.103-8 of the Department of Labor rules under ERISA.

Investments that represent 5% or more of the plan net assets in either year are separately identified.

	<u>2015</u>	<u>2014</u>
Mutual funds:		
Western Asset Fund Inc Core Plus Bond IS	\$ 76,135,771	\$ 86,324,934
Common / Collective Trust:		
SSGA Russell 2000 Index NL Fund	36,408,948	38,106,325
SSGA MSCI ACWI EX USA Non-Lending Fund	128,426,589	135,946,656
SSGA S&P 500 Flagship Non-Lending Fund	135,711,536	159,540,695
SSGA U.S. Aggregate Bond Index Non-Lending Fund	75,910,465	85,412,133
Partnership/ Joint Venture:		
AQR International Small Cap Equity Trust	33,065,860	29,736,403
UBS Trumbull Property Fund (TPF)	30,626,580	26,687,855 *
Other investments less than 5% individually	<u>31,135,136</u>	<u>27,485,894</u>
Investments, at fair value	<u>\$ 547,420,885</u>	<u>\$ 589,240,895</u>

*Investment represented less than 5% of net assets available for benefits in the period indicated.

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

During the year ended December 31, 2015, the Plan's investments (including gains and losses on investments bought, sold and held during the year) appreciated / (depreciated) in value as follows:

	2015	2014
Mutual funds	\$ 1,973,298	\$ 2,928,001
Partnerships	3,671,169	503,073
Common collective trusts	(5,860,442)	23,549,686
Net depreciation in fair value of investments	<u>\$ (215,975)</u>	<u>\$ 27,036,574</u>

Interest and dividends realized on the Plan's investments for the year ended December 31, 2015 were \$3,812,037 and \$2,918,040 in 2014.

NOTE 4: FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, the following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2015:

	2015	2014
Level 1:		
Money Market Fund	\$ 11,862,388	\$ 8,327,511
Mutual Funds	76,135,771	86,324,934
Common Stock	894	-
	<u>87,999,053</u>	<u>94,652,445</u>
Level 2:		
Common / Collective Trust	395,729,392	438,075,557
Limited Partnerships/Joint ventures	63,692,440	56,424,258
Other Assets	-	88,635
	<u>459,421,832</u>	<u>494,588,450</u>
Total investments at fair value	<u><u>\$ 547,420,885</u></u>	<u><u>\$ 589,240,895</u></u>

NOTE 5: FUNDING POLICY

Contributions to the Plan are made solely by Rowan in amounts not less than that required by ERISA. Annual contributions are computed by the Plan's actuary, which used the traditional unit credit actuarial cost method for the plan years ended December 31, 2015 and 2014.

The Internal Revenue Code (IRC) generally requires that estimated annual employer contributions be made through quarterly installments, with final amounts paid by September 15 of the following year. Rowan elected to contribute \$13,705,000 to the Plan for 2015 which meets the funding requirement for 2015.

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 6: RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least 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 statement of net assets available for benefits.

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.

NOTE 7: INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed Rowan by a letter dated January 30, 2012, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended since the determination letter was received. However, the Plan Administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

US GAAP requires plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to 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, 2015, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

NOTE 8: PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by JPMorgan Chase Bank, N.A., the trustee of the Plan. Therefore, these transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

NOTE 9: ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, Mercer, and is the amount that results from applying actuarial assumptions to adjust the

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuation as of January 1, 2015 and 2014 were as follows:

- i. The discount rate used for 2015 was 7.45%, and it was updated from 8.00% for 2014.
- ii. MRP-2007 white collar mortality table with the MSS-2007 projection scale. This is a Mercer table that was developed by removing projected mortality improvement after 2007 from the Society of Actuaries' RP-2014 table to facilitate application of an alternative projection of improvement after that date. It was updated from RP-2000 for 2014.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The accumulated plan benefits information at January 1, 2015 is as follows:

	<u>2015</u>
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving benefits	\$ 289,223,840
Active participants	124,989,018
Inactive participants with deferred benefits	131,219,004
Total vested benefits	545,431,862
Non-vested benefits	133,500
	<u>545,565,362</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 545,565,362</u>

The change in the actuarial present value of accumulated plan benefits from January 1, 2014, to January 1, 2015, is attributed to the following:

Actuarial present value of accumulated plan benefits at January 1, 2014	<u>\$ 476,389,766</u>
Increase (decrease) during the year attributable to:	
Benefits accumulated and (gains) losses	9,802,180
Increase for interest due to the decrease in the discount period	36,761,614
Benefits paid	(31,143,873)
Changes in actuarial assumptions	39,102,324
Change in plan provisions	14,653,351
	<u>69,175,596</u>
Net increase	
Actuarial present value of accumulated plan benefits at January 1, 2015	<u>\$ 545,565,362</u>

THE ROWAN PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

NOTE 10: NAV PER SHARE

In accordance with FASB ASU No. 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, the Plan expanded its disclosure to include the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the net asset value per share or its equivalent for which the fair value is not readily determinable as of December 31, 2015 and 2014. For the Plan, such assets include investments in common collective trust funds and limited partnerships.

The following tables for December 31, 2015, sets forth a summary of the Plan's investments with a reported NAV.

	Fair Value Estimated Using NAV per Share					
	Fair Value as of 12/31/2015 *	Fair Value as of 12/31/2014*	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
SSGA Russell 2000 Index NL Fund ^(a)	36,408,948	38,106,325	None	Daily	None	2 days
SSGA MSCI ACWI Ex US Non-Lending Fund ^(b)	128,426,589	135,946,656	None	Semi-monthly	None	5 days
SSGA S&P 500 Flagship Non-Lending Fund ^(c)	135,711,536	159,540,695	None	Daily	None	2 days
SSGA U.S. Aggregate Bond Index Non-Lending Fund ^(d)	75,910,465	85,412,133	None	Daily	None	2 days
CenterSquare EB Global Real Estate ^(e)	19,271,854	19,069,748	None	Daily	None	Immediate
UBS Trumbull Property Fund ^(f)	30,626,580	26,687,855	None	End of a calendar quarter	None	60 days

* The fair value of the investment has been estimated using the NAV of the investment.

(a) The fund seeks investment results that correspond generally to the price and yield performance of the Russell 2000 Index.

(b) The fund seeks investment results that correspond generally to the price and yield performance of the MSCI All Country World Index ex USA.

(c) The fund seeks investment results that correspond generally to the price and yield performance of the S&P 500 Index.

(d) The fund invests in a well-diversified portfolio that is representative of the broad domestic bond market consisting primarily of government, corporate, mortgage-backed and asset-backed securities with maturities of greater than one year.

(e) The fund is primarily invested in a diversified portfolio of listed property companies around the world. The fund also invests in dollar and non-dollar instruments, including equity securities traded on foreign exchanges.

(f) The fund invests primarily in equity real estate investments located in the United States.

Supplementary Information

THE ROWAN PENSION PLAN
EIN: 75-0759420 Plan Number: 001

Form 5500 Schedule H, Line 4i
Schedule of Assets (Held at End of Year)

December 31, 2015

[a] Party- in- interest	[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
	AQR INTERNATIONAL SMALL CAP EQUITY TRUST	PARTNERSHIP/JOINT VENTURE INTERESTS	\$ 23,000,000	\$ 33,065,860
	CENTER SQUARE EB GLOBAL REAL ESTATE	PARTNERSHIP/JOINT VENTURE INTERESTS	15,126,505	19,271,854
	UBS TRUMBULL PROPERTY FUND (TPF)	PARTNERSHIP/JOINT VENTURE INTERESTS	19,482,483	30,626,580
	SSGA RUSSELL 2000 INDEX NL FUND	COMMON/COLLECTIVE TRUSTS	36,259,607	36,408,948
	SSGA MSCI ACWI EX USA NON-LENDING FUND	COMMON/COLLECTIVE TRUSTS	129,589,442	128,426,589
	SSGA S&P 500 FLAGSHIP NON-LENDING FUND	COMMON/COLLECTIVE TRUSTS	108,420,429	135,711,536
	SSGA U.S. AGGREGATE BOND INDEX NON-LENDI	COMMON/COLLECTIVE TRUSTS	70,725,885	75,910,465
*	JPMORGAN 100% US TREAS SEC MMKT FUND AGE	MONEY MARKET FUND	11,862,388	11,862,388
	WESTERN ASSET FUND INC CORE PLUS BOND IS	REGISTERED INVESTMENT COMPANIES	70,420,792	76,135,771
	OTHER ASSETS	COMMON STOCK	1,379	894
	Total Plan investments at fair value			<u>\$ 547,420,885</u>

* - Denotes party-in-interest

THE ROWAN PENSION PLAN
EIN: 75-0759420 Plan Number: 001

Form 5500 Schedule H, Line 4j
Schedule of Reportable Transactions
For the Year Ended December 31, 2015

The following pages represent the Plan's reportable transactions for the year ended December 31, 2015.

FD495 SCHEDULE H (FORM 5500 - 4J-3) SCHEDULE OF REPORTABLE TRANSACTIONS SERIES OF TRANSACTIONS IN SAME SECURITY			ROWAN COMPANIES COM BASE CURRENCY: USD			C 53640 DECEMBER 31, 2014 THROUGH DECEMBER 31, 2015		
DESCRIPTION OF ASSET			BASED ON MARKET	VALUE OF	589,240,969	5% VALUE OF	29,462,048	
IDENTITY OF PARTY INVOLVED			PURCHASE PRICE	EXPENSES	COST OF ASSET	CURRENT VALUE	NET GAIN	
928989326 JPMORGAN 100% US TREAS SEC MMKT FUND AGENCY SHARES			SELLING PRICE				OR (LOSS)	
MONTHLY VARIABLE 12/31/2049								
BROKER 0800094 MASTER NOTES								
2,444,689	01/02/15 S SELL	3314	100.0000	0	2,444,689	2,444,689	0	
853	01/05/15 S SELL	3316	100.0000	0	853	853	0	
6,944	01/06/15 B BUY	3318	100.0000	0	6,944	6,944	0	
9,945	01/07/15 B BUY	3319	100.0000	0	9,945	9,945	0	
104,792	01/08/15 S SELL	3323	100.0000	0	104,792	104,792	0	
92	01/09/15 B BUY	3326	100.0000	0	92	92	0	
1,517	01/12/15 B BUY	3334	100.0000	0	1,517	1,517	0	
5,333	01/14/15 S SELL	3350	100.0000	0	5,333	5,333	0	
1,698	01/15/15 B BUY	3351	100.0000	0	1,698	1,698	0	
832	01/20/15 B BUY	3354	100.0000	0	832	832	0	
99,113	01/22/15 S SELL	3357	100.0000	0	99,113	99,113	0	
20,314	01/26/15 B BUY	3363	100.0000	0	20,314	20,314	0	
120,595	01/28/15 S SELL	3366	100.0000	0	120,595	120,595	0	
4	01/28/15 B BUY	4595586	100.0000	0	4	4	0	
15,870	01/30/15 S SELL	3369	100.0000	0	15,870	15,870	0	
2,590,171	02/02/15 S SELL	3377	100.0000	0	2,590,171	2,590,171	0	
20,581	02/03/15 S SELL	3380	100.0000	0	20,581	20,581	0	
642	02/04/15 B BUY	3382	100.0000	0	642	642	0	
3,124	02/11/15 S SELL	3384	100.0000	0	3,124	3,124	0	
65,408	02/13/15 S SELL	3386	100.0000	0	65,408	65,408	0	
329	02/17/15 S SELL	3388	100.0000	0	329	329	0	
4	02/26/15 B BUY	4595592	100.0000	0	4	4	0	
3,500,177	02/27/15 B BUY	3391	100.0000	0	3,500,177	3,500,177	0	
1,500,000	03/02/15 B BUY	24	100.0000	0	1,500,000	1,500,000	0	
7,000,000	03/02/15 B BUY	28	100.0000	0	7,000,000	7,000,000	0	
2,798,872	03/02/15 S SELL	3398	100.0000	0	2,798,872	2,798,872	0	
1,500,000	03/03/15 S SELL	27	100.0000	0	1,500,000	1,500,000	0	
7,000,000	03/03/15 S SELL	31	100.0000	0	7,000,000	7,000,000	0	
8,500,000	03/03/15 B BUY	3401	100.0000	0	8,500,000	8,500,000	0	
549,520	03/04/15 S SELL	3415	100.0000	0	549,520	549,520	0	
66,438	03/05/15 S SELL	3419	100.0000	0	66,438	66,438	0	
45,235	03/06/15 S SELL	3421	100.0000	0	45,235	45,235	0	
6,211	03/10/15 S SELL	3425	100.0000	0	6,211	6,211	0	
740	03/12/15 S SELL	3429	100.0000	0	740	740	0	
1,740	03/13/15 S SELL	3431	100.0000	0	1,740	1,740	0	
22	03/16/15 S SELL	3434	100.0000	0	22	22	0	
5,031	03/23/15 S SELL	3436	100.0000	0	5,031	5,031	0	
1	03/23/15 B BUY	4595597	100.0000	0	1	1	0	
1,726	03/26/15 B BUY	3439	100.0000	0	1,726	1,726	0	
17,337	03/30/15 S SELL	3442	100.0000	0	17,337	17,337	0	
1,996	03/31/15 B BUY	3445	100.0000	0	1,996	1,996	0	
3,675,628	04/01/15 S SELL	3452	100.0000	0	3,675,628	3,675,628	0	
373	04/02/15 S SELL	3455	100.0000	0	373	373	0	
59,928	04/03/15 S SELL	3469	100.0000	0	59,928	59,928	0	
JPMorgan Investor Services			J.P.Morgan			17		

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DESCRIPTION OF ASSET					BASED ON MARKET VALUE OF		589,240,969	5% VALUE OF	29,462,048
IDENTITY OF PARTY INVOLVED					PURCHASE PRICE	EXPENSES	COST OF ASSET	CURRENT VALUE	NET GAIN
					SELLING PRICE				OR (LOSS)
8	07/09/15	S	SELL	3668	100.0000	0	8	8	0
24,535	07/10/15	S	SELL	3672	100.0000	0	24,535	24,535	0
5,819,319	07/15/15	B	BUY	3678	100.0000	0	5,819,319	5,819,319	0
17,777	07/16/15	S	SELL	3680	100.0000	0	17,777	17,777	0
74,793	07/22/15	S	SELL	3684	100.0000	0	74,793	74,793	0
129	07/24/15	B	BUY	3688	100.0000	0	129	129	0
3	07/29/15	B	BUY	4595616	100.0000	0	3	3	0
21,792	07/30/15	S	SELL	3690	100.0000	0	21,792	21,792	0
4,155,021	08/03/15	S	SELL	3697	100.0000	0	4,155,021	4,155,021	0
2,678	08/04/15	B	BUY	3701	100.0000	0	2,678	2,678	0
456,934	08/06/15	S	SELL	3706	100.0000	0	456,934	456,934	0
241,499	08/11/15	S	SELL	3709	100.0000	0	241,499	241,499	0
74,166	08/13/15	S	SELL	3715	100.0000	0	74,166	74,166	0
96,539	08/17/15	S	SELL	3717	100.0000	0	96,539	96,539	0
900	08/18/15	B	BUY	3719	100.0000	0	900	900	0
137	08/20/15	S	SELL	3721	100.0000	0	137	137	0
276,603	08/21/15	S	SELL	3724	100.0000	0	276,603	276,603	0
2,675	08/25/15	B	BUY	3728	100.0000	0	2,675	2,675	0
3	08/27/15	B	BUY	4595621	100.0000	0	3	3	0
73,979	08/28/15	B	BUY	3730	100.0000	0	73,979	73,979	0
73,716	08/31/15	S	SELL	3732	100.0000	0	73,716	73,716	0
3,179,337	09/01/15	S	SELL	3744	100.0000	0	3,179,337	3,179,337	0
496,074	09/02/15	S	SELL	3747	100.0000	0	496,074	496,074	0
16,827	09/04/15	S	SELL	3753	100.0000	0	16,827	16,827	0
45,258	09/08/15	S	SELL	3756	100.0000	0	45,258	45,258	0
1,885	09/10/15	S	SELL	3758	100.0000	0	1,885	1,885	0
49,494	09/16/15	S	SELL	3765	100.0000	0	49,494	49,494	0
583	09/17/15	B	BUY	3769	100.0000	0	583	583	0
15,766	09/18/15	S	SELL	3773	100.0000	0	15,766	15,766	0
383	09/23/15	B	BUY	3775	100.0000	0	383	383	0
10	09/23/15	B	BUY	4595626	100.0000	0	10	10	0
146	09/24/15	B	BUY	3779	100.0000	0	146	146	0
8	09/24/15	S	SELL	4595628	100.0000	0	8	8	0
32,298	09/30/15	S	SELL	3786	100.0000	0	32,298	32,298	0
3,793,613	10/01/15	S	SELL	3793	100.0000	0	3,793,613	3,793,613	0
141,571	10/05/15	S	SELL	3805	100.0000	0	141,571	141,571	0
6,002,817	10/07/15	B	BUY	3808	100.0000	0	6,002,817	6,002,817	0
7,000,000	10/08/15	B	BUY	40	100.0000	0	7,000,000	7,000,000	0
2,000,000	10/08/15	B	BUY	46	100.0000	0	2,000,000	2,000,000	0
20,763	10/08/15	S	SELL	3811	100.0000	0	20,763	20,763	0
7,000,000	10/09/15	S	SELL	42	100.0000	0	7,000,000	7,000,000	0
2,000,000	10/09/15	S	SELL	49	100.0000	0	2,000,000	2,000,000	0
8,794,770	10/09/15	B	BUY	3814	100.0000	0	8,794,770	8,794,770	0
2,677,639	10/13/15	S	SELL	3817	100.0000	0	2,677,639	2,677,639	0
95,743	10/15/15	S	SELL	3822	100.0000	0	95,743	95,743	0
194	10/16/15	S	SELL	3824	100.0000	0	194	194	0
1,592	10/19/15	B	BUY	3826	100.0000	0	1,592	1,592	0

FD495 SCHEDULE H (FORM 5500 - 4J-3) SCHEDULE OF REPORTABLE TRANSACTIONS SERIES OF TRANSACTIONS IN SAME SECURITY			ROWAN COMPANIES COM BASE CURRENCY: USD			C 53640 DECEMBER 31, 2014 THROUGH DECEMBER 31, 2015		
			BASED ON MARKET	VALUE OF	589,240,969	5% VALUE OF	29,462,048	
			PURCHASE PRICE	EXPENSES	COST OF ASSET	CURRENT VALUE	NET GAIN	
DESCRIPTION OF ASSET			SELLING PRICE				OR (LOSS)	
IDENTITY OF PARTY INVOLVED								
824	10/21/15	S SELL	3830	100.0000	0	824	824	0
350	10/26/15	B BUY	3834	100.0000	0	350	350	0
3	10/27/15	B BUY	4595632	100.0000	0	3	3	0
15,809	10/30/15	S SELL	3836	100.0000	0	15,809	15,809	0
0	11/02/15	B BUY	46	100.0000	0	0	0	0
0	11/02/15	B BUY	51	100.0000	0	0	0	0
4,547,191	11/02/15	S SELL	3847	100.0000	0	4,547,191	4,547,191	0
540	11/04/15	B BUY	3849	100.0000	0	540	540	0
157,162	11/05/15	S SELL	3852	100.0000	0	157,162	157,162	0
40,728	11/09/15	S SELL	3857	100.0000	0	40,728	40,728	0
477	11/10/15	B BUY	3859	100.0000	0	477	477	0
1,433	11/12/15	B BUY	3863	100.0000	0	1,433	1,433	0
66,111	11/13/15	S SELL	3867	100.0000	0	66,111	66,111	0
3	11/25/15	B BUY	4595637	100.0000	0	3	3	0
634	11/27/15	B BUY	3871	100.0000	0	634	634	0
4,824,759	12/01/15	S SELL	3885	100.0000	0	4,824,759	4,824,759	0
64,657	12/02/15	S SELL	3888	100.0000	0	64,657	64,657	0
199,840	12/03/15	S SELL	3892	100.0000	0	199,840	199,840	0
61,342	12/07/15	S SELL	3895	100.0000	0	61,342	61,342	0
343,373	12/10/15	S SELL	3900	100.0000	0	343,373	343,373	0
296,799	12/11/15	S SELL	3904	100.0000	0	296,799	296,799	0
42,074	12/14/15	S SELL	3906	100.0000	0	42,074	42,074	0
17,804	12/16/15	S SELL	3909	100.0000	0	17,804	17,804	0
394	12/17/15	S SELL	3911	100.0000	0	394	394	0
12,662	12/18/15	S SELL	3913	100.0000	0	12,662	12,662	0
BROKER								
0	12/21/15	S RGAIN	3914	.0000	0	0	1	1
BROKER 0800094 MASTER NOTES								
600,000	12/23/15	B BUY	248	100.0000	0	600,000	600,000	0
69,756	12/23/15	S SELL	3919	100.0000	0	69,756	69,756	0
9,000,000	12/24/15	B BUY	55	100.0000	0	9,000,000	9,000,000	0
600,000	12/24/15	S SELL	250	100.0000	0	600,000	600,000	0
600,000	12/24/15	B BUY	3923	100.0000	0	600,000	600,000	0
11	12/24/15	B BUY	4595640	100.0000	0	11	11	0
9,000,000	12/28/15	S SELL	57	100.0000	0	9,000,000	9,000,000	0
9,000,000	12/28/15	B BUY	3925	100.0000	0	9,000,000	9,000,000	0
122,668	12/30/15	B BUY	3929	100.0000	0	122,668	122,668	0

93,342,087	67	TOTAL BUYS		0	93,342,087	93,342,087		0
89,807,215	106	TOTAL SELLS		0	89,807,215	89,807,216		1

183,149,302		SECURITY TOTAL		0	183,149,302	183,149,303		1
JPMorgan Investor Services			J.P.Morgan			20		

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 &	Total
Under 25		59 87,260 10,075									59
25–29		145 103,917 11,177	67 131,258 27,829	6							218
30–34		141 131,134 12,614	102 133,981 28,638	73 173,862 38,453							316
35–39		104 146,898 15,252	63 138,575 30,099	92 173,705 37,982	38 194,045 44,114	1					298
40–44		79 163,811 16,595	28 125,315 27,596	68 152,108 34,417	37 197,084 59,535	21 226,778 84,146					233
45–49		63 161,287 18,005	13	34 143,438 38,242	28 149,426 57,216	25 201,665 91,864	12				175
50–54		35 177,508 19,419	12	15	18	9	24 180,877 107,231	28 190,648 134,117	1		142
55–59		21 175,368 21,893	2	1	4	6	15	29 181,142 140,550	17		95
60–64		14	6	1	3	3	4	6	4	3	44
65–69		1	1				1				3
70 & up											
Total		662	294	290	128	65	56	63	22	3	1,583

In each cell, the top number is the count of active participants for each age/service combination, the middle number is average pay for 2014 limited to \$260,000, and the bottom number is the average account balance as of January 1, 2015. Average pay and average account balance are not shown for cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions for January 1, 2015 Funding Valuation****Discount rate sponsor elections**

• Segment rates or full yield curve	Segment		
• Look-back months	4		
		<u>Stabilized</u>	<u>Nonstabilized</u>
• First 5 years		4.72%	1.15%
• Next 15 years		6.11%	4.06%
• Over 20 years		6.81%	5.15%

Mortality sponsor elections

• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
• Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
• Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality

Cash balance plans

• Interest accumulation rate	5.00%
• Whipsaw calculations	No
• Annuity conversion	
— Mortality table	Not applicable
— Interest rate basis	Not applicable

Other economic assumptions

• Salary increases	See table of sample rates.
• Inflation	2.50% per year.
• Cost-of-living increase on benefit	1.75% compounded annually.
• Expected investment return	8.00% for 2013, 8.00% for 2014 and 7.45% for 2015.
• Expenses	Administrative expenses paid from the trust during 2014 plus an estimate of the PBGC premiums paid in current year. \$2,997,600 added to current year normal cost.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Demographic assumptions**

- Withdrawal See table of sample rates.
- Disability incidence See table of sample rates.

	Attained age	Percentage
	50 – 59	2.00%
	60	40.00%
	61	5.00%
	62	40.00%
	63 – 64	5.00%
	65	40.00%
	66 – 69	5.00%
	70	100.00%

- Benefit commencement age for
 - Current and future vested deferred Traditional benefit – 50
Cash balance – Immediate
 - Former LeTourneau RIP vested deferred 60

	<u>Male participants</u>	<u>Female participants</u>
• Spouse assumptions		
— Percentage married	85%	60%
— Spouse age difference	0 years younger	0 years older
— Percentage married – former LeTourneau RIP	80%	80%
— Spouse age difference - former LeTourneau RIP	3 years younger	3 years older

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment – traditional	<u>Lump sum</u> <u>(under</u> <u>\$75,000)</u>	<u>5 year</u> <u>certain & life</u>	<u>Single life</u> <u>based on 50%</u> <u>J&S</u>	<u>75% J&S</u>
• Active retirements	100%	40%	0%	60%
• Future vested deferred	100%	40%	0%	60%
• Future disabilities	100%	40%	0%	60%
• Future deaths	0%	0%	100%	0%
• Current vested deferred eligible for lump sum	80%	8%	0%	12%
• Current vested deferred not eligible for lump sum	0%	40%	0%	60%
Form of payment – cash balance	<u>Lump sum</u>			
• Active retirements	100%			
• Future vested deferred	100%			
• Future disabilities	100%			
• Future deaths	100%			
• Current vested deferred	100%			
Form of payment – former LeTourneau RIP vested deferred benefits	<u>Lump sum</u> <u>(under</u> <u>\$100,000)</u>	<u>Single life</u>	<u>Single life</u> <u>based on 50%</u> <u>J&S</u>	<u>75% J&S</u>
• Future deaths	0%	0%	100%	0%
• Current vested deferred eligible for lump sum	95%	1.75%	0%	3.25%
• Current vested deferred not eligible for lump sum	0%	35%	0%	65%
Unpredictable contingent event assumptions	Not applicable			

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***Table of Sample Rates*****Salary Increases**

Attained age	Percentage increase at attained age	Ratio of salary at age 65 to salary at attained age
20	7.25%	715.5%
25	6.60	510.4
30	5.95	375.3
35	5.30	284.6
40	4.65	222.6
45	4.00	179.6
50	3.35	149.4
55	2.70	128.3
60	2.50	113.1

Attained age	Percentage	Percentage
	Disability incidence	Withdrawal*
20	0.090%	25.70%
25	0.100	20.32
30	0.110	15.44
35	0.120	11.32
40	0.150	7.82
45	0.215	5.12
50	0.330	3.30
55	0.580	2.16
60	1.180	1.62

* Ultimate rates for participants with at least 4 years of service. For other participants, the rates are 40% higher with service of 0 to 1 year, 30% higher with service of 1 to 2 years, 20% higher with service of 2 to 3 years and 10% higher with service of 3 to 4 years.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial Methods for Funding

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

ROWAN PENSION PLAN
EIN: 75-0759420 Plan Number: 001

Form 5500 Schedule H, Line 4j
Schedule of Reportable Transactions
For the Year Ended December 31, 2015

The following pages represent the Plan's reportable transactions for the year ended December 31, 2015.

FD495 SCHEDULE H (FORM 5500 - 4J-3) SCHEDULE OF REPORTABLE TRANSACTIONS SERIES OF TRANSACTIONS IN SAME SECURITY				ROWAN COMPANIES COM		PAGE 8 C 53640 DECEMBER 31, 2014 THROUGH DECEMBER 31, 2015	
				BASE CURRENCY: USD			
				589,240,969		29,462,048	
DESCRIPTION OF ASSET				VALUE OF		5% VALUE OF	
IDENTITY OF PARTY INVOLVED				EXPENSES		CURRENT VALUE	
928989326 JPMORGAN 100% US TREAS SEC MMKT FUND AGENCY SHARES				COST OF ASSET		NET GAIN	
MONTHLY VARIABLE 12/31/2049						OR (LOSS)	
BROKER 0800094 MASTER NOTES							
2,444,689	01/02/15	S SELL	3314	100.0000	0	2,444,689	0
853	01/05/15	S SELL	3316	100.0000	0	853	0
6,944	01/06/15	B BUY	3318	100.0000	0	6,944	0
9,945	01/07/15	B BUY	3319	100.0000	0	9,945	0
104,792	01/08/15	S SELL	3323	100.0000	0	104,792	0
92	01/09/15	B BUY	3326	100.0000	0	92	0
1,517	01/12/15	B BUY	3334	100.0000	0	1,517	0
5,333	01/14/15	S SELL	3350	100.0000	0	5,333	0
1,698	01/15/15	B BUY	3351	100.0000	0	1,698	0
832	01/20/15	B BUY	3354	100.0000	0	832	0
99,113	01/22/15	S SELL	3357	100.0000	0	99,113	0
20,314	01/26/15	B BUY	3363	100.0000	0	20,314	0
120,595	01/28/15	S SELL	3366	100.0000	0	120,595	0
4	01/28/15	B BUY	4595586	100.0000	0	4	0
15,870	01/30/15	S SELL	3369	100.0000	0	15,870	0
2,590,171	02/02/15	S SELL	3377	100.0000	0	2,590,171	0
20,581	02/03/15	S SELL	3380	100.0000	0	20,581	0
642	02/04/15	B BUY	3382	100.0000	0	642	0
3,124	02/11/15	S SELL	3384	100.0000	0	3,124	0
65,408	02/13/15	S SELL	3386	100.0000	0	65,408	0
329	02/17/15	S SELL	3388	100.0000	0	329	0
4	02/26/15	B BUY	4595592	100.0000	0	4	0
3,500,177	02/27/15	B BUY	3391	100.0000	0	3,500,177	0
1,500,000	03/02/15	B BUY	24	100.0000	0	1,500,000	0
7,000,000	03/02/15	B BUY	28	100.0000	0	7,000,000	0
2,798,872	03/02/15	S SELL	3398	100.0000	0	2,798,872	0
1,500,000	03/03/15	S SELL	27	100.0000	0	1,500,000	0
7,000,000	03/03/15	S SELL	31	100.0000	0	7,000,000	0
8,500,000	03/03/15	B BUY	3401	100.0000	0	8,500,000	0
549,520	03/04/15	S SELL	3415	100.0000	0	549,520	0
66,438	03/05/15	S SELL	3419	100.0000	0	66,438	0
45,235	03/06/15	S SELL	3421	100.0000	0	45,235	0
6,211	03/10/15	S SELL	3425	100.0000	0	6,211	0
740	03/12/15	S SELL	3429	100.0000	0	740	0
1,740	03/13/15	S SELL	3431	100.0000	0	1,740	0
22	03/16/15	S SELL	3434	100.0000	0	22	0
5,031	03/23/15	S SELL	3436	100.0000	0	5,031	0
1	03/23/15	B BUY	4595597	100.0000	0	1	0
1,726	03/26/15	B BUY	3439	100.0000	0	1,726	0
17,337	03/30/15	S SELL	3442	100.0000	0	17,337	0
1,996	03/31/15	B BUY	3445	100.0000	0	1,996	0
3,675,628	04/01/15	S SELL	3452	100.0000	0	3,675,628	0
373	04/02/15	S SELL	3455	100.0000	0	373	0
59,928	04/03/15	S SELL	3469	100.0000	0	59,928	0
JPMorgan Investor Services				J.P.Morgan			

FD495 SCHEDULE H (FORM 5500 - 4J-3) SCHEDULE OF REPORTABLE TRANSACTIONS SERIES OF TRANSACTIONS IN SAME SECURITY				ROWAN COMPANIES COM		PAGE 9 C 53640 DECEMBER 31, 2014 DECEMBER 31, 2015	
				BASE CURRENCY: USD		THROUGH	
				589,240,969		5% VALUE OF	
				COST OF ASSET		CURRENT VALUE	
						29,462,048	
						NET GAIN	
						OR (LOSS)	
DESCRIPTION OF ASSET				BASED ON MARKET			
IDENTITY OF PARTY INVOLVED				PURCHASE PRICE		VALUE OF	
				SELLING PRICE		EXPENSES	
572	04/07/15	B BUY	3458	100.0000	0	572	572
265,461	04/08/15	S SELL	3461	100.0000	0	265,461	265,461
4,027	04/09/15	S SELL	3463	100.0000	0	4,027	4,027
1,649	04/10/15	S SELL	3466	100.0000	0	1,649	1,649
26,475	04/13/15	S SELL	3470	100.0000	0	26,475	26,475
2,261,483	04/15/15	B BUY	3473	100.0000	0	2,261,483	2,261,483
88,953	04/17/15	S SELL	3476	100.0000	0	88,953	88,953
33,434	04/20/15	S SELL	3478	100.0000	0	33,434	33,434
124	04/24/15	B BUY	3480	100.0000	0	124	124
10	04/24/15	B BUY	4595601	100.0000	0	10	10
131	04/27/15	B BUY	3482	100.0000	0	131	131
9	04/27/15	S SELL	4595602	100.0000	0	9	9
10,604	04/28/15	S SELL	3484	100.0000	0	10,604	10,604
17,158	04/30/15	S SELL	3487	100.0000	0	17,158	17,158
3,901,829	05/01/15	S SELL	3495	100.0000	0	3,901,829	3,901,829
36,280	05/04/15	S SELL	3499	100.0000	0	36,280	36,280
1,780	05/05/15	B BUY	3501	100.0000	0	1,780	1,780
73,428	05/06/15	S SELL	3504	100.0000	0	73,428	73,428
82,753	05/07/15	S SELL	3506	100.0000	0	82,753	82,753
19,633	05/11/15	S SELL	3508	100.0000	0	19,633	19,633
2,228	05/13/15	S SELL	3510	100.0000	0	2,228	2,228
48,193	05/15/15	S SELL	3512	100.0000	0	48,193	48,193
294	05/27/15	B BUY	3517	100.0000	0	294	294
2	05/28/15	B BUY	4595607	100.0000	0	2	2
166	05/29/15	B BUY	3519	100.0000	0	166	166
3,351,470	06/01/15	S SELL	3526	100.0000	0	3,351,470	3,351,470
42,062	06/02/15	S SELL	3555	100.0000	0	42,062	42,062
105,073	06/03/15	S SELL	3570	100.0000	0	105,073	105,073
61,695	06/05/15	S SELL	3572	100.0000	0	61,695	61,695
110,981	06/10/15	S SELL	3575	100.0000	0	110,981	110,981
94,230	06/15/15	S SELL	3589	100.0000	0	94,230	94,230
1,500,000	06/19/15	B BUY	3603	100.0000	0	1,500,000	1,500,000
2	06/19/15	B BUY	4595611	100.0000	0	2	2
1,500,000	06/22/15	B BUY	32	100.0000	0	1,500,000	1,500,000
8,500,000	06/22/15	B BUY	37	100.0000	0	8,500,000	8,500,000
34,701	06/22/15	S SELL	3609	100.0000	0	34,701	34,701
1,500,000	06/23/15	S SELL	34	100.0000	0	1,500,000	1,500,000
8,500,000	06/23/15	S SELL	40	100.0000	0	8,500,000	8,500,000
10,000,000	06/23/15	B BUY	3612	100.0000	0	10,000,000	10,000,000
144	06/24/15	B BUY	3616	100.0000	0	144	144
16,728	06/30/15	S SELL	3639	100.0000	0	16,728	16,728
4,559,821	07/01/15	S SELL	3647	100.0000	0	4,559,821	4,559,821
107,566	07/02/15	S SELL	3651	100.0000	0	107,566	107,566
2,636	07/03/15	B BUY	3667	100.0000	0	2,636	2,636
71,566	07/06/15	S SELL	3655	100.0000	0	71,566	71,566
176	07/07/15	B BUY	3657	100.0000	0	176	176
2,569	07/08/15	B BUY	3661	100.0000	0	2,569	2,569
JPMorgan Investor Services				J.P.Morgan			

FD495 SCHEDULE H (FORM 5500 - 4J-3) SCHEDULE OF REPORTABLE TRANSACTIONS SERIES OF TRANSACTIONS IN SAME SECURITY				ROWAN COMPANIES COM BASE CURRENCY: USD				PAGE 10 C 53640 DECEMBER 31,2014 THROUGH DECEMBER 31,2015			
DESCRIPTION OF ASSET				BASED ON MARKET VALUE OF		589,240,969		5% VALUE OF		29,462,048	
IDENTITY OF PARTY INVOLVED				PURCHASE PRICE		COST OF ASSET		CURRENT VALUE		NET GAIN	
				SELLING PRICE						OR (LOSS)	
8 07/09/15 S SELL 3668				100.0000		8		8		0	
24,535 07/10/15 S SELL 3672				100.0000		24,535		24,535		0	
5,819,319 07/15/15 B BUY 3678				100.0000		5,819,319		5,819,319		0	
17,777 07/16/15 S SELL 3680				100.0000		17,777		17,777		0	
74,793 07/22/15 S SELL 3684				100.0000		74,793		74,793		0	
129 07/24/15 B BUY 3688				100.0000		129		129		0	
3 07/29/15 B BUY 4595616				100.0000		3		3		0	
21,792 07/30/15 S SELL 3690				100.0000		21,792		21,792		0	
4,155,021 08/03/15 S SELL 3697				100.0000		4,155,021		4,155,021		0	
2,678 08/04/15 B BUY 3701				100.0000		2,678		2,678		0	
456,934 08/06/15 S SELL 3706				100.0000		456,934		456,934		0	
241,499 08/11/15 S SELL 3709				100.0000		241,499		241,499		0	
74,166 08/13/15 S SELL 3715				100.0000		74,166		74,166		0	
96,539 08/17/15 S SELL 3717				100.0000		96,539		96,539		0	
900 08/18/15 B BUY 3719				100.0000		900		900		0	
137 08/20/15 S SELL 3721				100.0000		137		137		0	
276,603 08/21/15 S SELL 3724				100.0000		276,603		276,603		0	
2,675 08/25/15 B BUY 3728				100.0000		2,675		2,675		0	
3 08/27/15 B BUY 4595621				100.0000		3		3		0	
73,979 08/28/15 B BUY 3730				100.0000		73,979		73,979		0	
73,716 08/31/15 S SELL 3732				100.0000		73,716		73,716		0	
3,179,337 09/01/15 S SELL 3744				100.0000		3,179,337		3,179,337		0	
496,074 09/02/15 S SELL 3747				100.0000		496,074		496,074		0	
16,827 09/04/15 S SELL 3753				100.0000		16,827		16,827		0	
45,258 09/08/15 S SELL 3756				100.0000		45,258		45,258		0	
1,885 09/10/15 S SELL 3758				100.0000		1,885		1,885		0	
49,494 09/16/15 S SELL 3765				100.0000		49,494		49,494		0	
583 09/17/15 B BUY 3769				100.0000		583		583		0	
15,766 09/18/15 S SELL 3773				100.0000		15,766		15,766		0	
383 09/23/15 B BUY 3775				100.0000		383		383		0	
10 09/23/15 B BUY 4595626				100.0000		10		10		0	
146 09/24/15 B BUY 3779				100.0000		146		146		0	
8 09/24/15 S SELL 4595628				100.0000		8		8		0	
32,298 09/30/15 S SELL 3786				100.0000		32,298		32,298		0	
3,793,613 10/01/15 S SELL 3793				100.0000		3,793,613		3,793,613		0	
141,571 10/05/15 S SELL 3805				100.0000		141,571		141,571		0	
6,002,817 10/07/15 B BUY 3808				100.0000		6,002,817		6,002,817		0	
7,000,000 10/08/15 B BUY 40				100.0000		7,000,000		7,000,000		0	
2,000,000 10/08/15 B BUY 46				100.0000		2,000,000		2,000,000		0	
20,763 10/08/15 S SELL 3811				100.0000		20,763		20,763		0	
7,000,000 10/09/15 S SELL 42				100.0000		7,000,000		7,000,000		0	
2,000,000 10/09/15 S SELL 49				100.0000		2,000,000		2,000,000		0	
8,794,770 10/09/15 B BUY 3814				100.0000		8,794,770		8,794,770		0	
2,677,639 10/13/15 S SELL 3817				100.0000		2,677,639		2,677,639		0	
95,743 10/15/15 S SELL 3822				100.0000		95,743		95,743		0	
194 10/16/15 S SELL 3824				100.0000		194		194		0	
1,592 10/19/15 B BUY 3826				100.0000		1,592		1,592		0	
JPMorgan Investor Services				J.P.Morgan							

FD495 SCHEDULE H (FORM 5500 - 4J-3) SCHEDULE OF REPORTABLE TRANSACTIONS SERIES OF TRANSACTIONS IN SAME SECURITY				ROWAN COMPANIES COM BASE CURRENCY: USD				PAGE 11 C 53640 DECEMBER 31, 2014 THROUGH DECEMBER 31, 2015			
				BASED ON MARKET VALUE OF		589,240,969		5% VALUE OF		29,462,048	
DESCRIPTION OF ASSET				PURCHASE PRICE		COST OF ASSET		CURRENT VALUE		NET GAIN	
IDENTITY OF PARTY INVOLVED				SELLING PRICE						OR (LOSS)	
824 10/21/15 S SELL 3830				100.0000		824		824		0	
350 10/26/15 B BUY 3834				100.0000		350		350		0	
3 10/27/15 B BUY 4595632				100.0000		3		3		0	
15,809 10/30/15 S SELL 3836				100.0000		15,809		15,809		0	
0 11/02/15 B BUY 46				100.0000		0		0		0	
0 11/02/15 B BUY 51				100.0000		0		0		0	
4,547,191 11/02/15 S SELL 3847				100.0000		4,547,191		4,547,191		0	
540 11/04/15 B BUY 3849				100.0000		540		540		0	
157,162 11/05/15 S SELL 3852				100.0000		157,162		157,162		0	
40,728 11/09/15 S SELL 3857				100.0000		40,728		40,728		0	
477 11/10/15 B BUY 3859				100.0000		477		477		0	
1,433 11/12/15 B BUY 3863				100.0000		1,433		1,433		0	
66,111 11/13/15 S SELL 3867				100.0000		66,111		66,111		0	
3 11/25/15 B BUY 4595637				100.0000		3		3		0	
634 11/27/15 B BUY 3871				100.0000		634		634		0	
4,824,759 12/01/15 S SELL 3885				100.0000		4,824,759		4,824,759		0	
64,657 12/02/15 S SELL 3888				100.0000		64,657		64,657		0	
199,840 12/03/15 S SELL 3892				100.0000		199,840		199,840		0	
61,342 12/07/15 S SELL 3895				100.0000		61,342		61,342		0	
343,373 12/10/15 S SELL 3900				100.0000		343,373		343,373		0	
296,799 12/11/15 S SELL 3904				100.0000		296,799		296,799		0	
42,074 12/14/15 S SELL 3906				100.0000		42,074		42,074		0	
17,804 12/16/15 S SELL 3909				100.0000		17,804		17,804		0	
394 12/17/15 S SELL 3911				100.0000		394		394		0	
12,662 12/18/15 S SELL 3913				100.0000		12,662		12,662		0	
BROKER											
0 12/21/15 S RGAIN 3914				.0000		0		1		1	
BROKER 0800094 MASTER NOTES											
600,000 12/23/15 B BUY 248				100.0000		600,000		600,000		0	
69,756 12/23/15 S SELL 3919				100.0000		69,756		69,756		0	
9,000,000 12/24/15 B BUY 55				100.0000		9,000,000		9,000,000		0	
600,000 12/24/15 S SELL 250				100.0000		600,000		600,000		0	
600,000 12/24/15 B BUY 3923				100.0000		600,000		600,000		0	
11 12/24/15 B BUY 4595640				100.0000		11		11		0	
9,000,000 12/28/15 S SELL 57				100.0000		9,000,000		9,000,000		0	
9,000,000 12/28/15 B BUY 3925				100.0000		9,000,000		9,000,000		0	
122,668 12/30/15 B BUY 3929				100.0000		122,668		122,668		0	
-----				-----		-----		-----		-----	
93,342,087 67 TOTAL BUYS				0		93,342,087		93,342,087		0	
89,807,215 106 TOTAL SELLS				0		89,807,215		89,807,216		1	
-----				-----		-----		-----		-----	
183,149,302 SECURITY TOTAL				0		183,149,302		183,149,303		1	
JPMorgan Investor Services											
J.P.Morgan											

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

► **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 THE ROWAN PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ROWAN COMPANIES, INC.	D Employer Identification Number (EIN) 75-0759420	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	589,240,969	
b Actuarial value	2b	583,057,840	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	2,044	318,417,995	318,417,995
b For terminated vested participants	1,872	131,572,185	131,572,185
c For active participants	1,583	136,127,683	137,941,194
d Total	5,499	586,117,863	587,931,374
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		6.35%
6 Target normal cost	6		14,625,656

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	<div style="font-size: 2em; color: blue; margin-bottom: 10px;">KB</div> Signature of actuary	<div style="font-size: 1.5em; color: blue; margin-bottom: 10px;">10-5-2016</div> Date
	KEVIN BILLS Type or print name of actuary	1407029 Most recent enrollment number
	MERCER Firm name	713-276-2100 Telephone number (including area code)
	500 DALLAS STREET, SUITE 1400 HOUSTON TX 77002-4800 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)	0	38,211,710
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	32,662,877
9 Amount remaining (line 7 minus line 8)	0	5,548,833
10 Interest on line 9 using prior year's actual return of <u>5.32%</u>	0	295,198
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.54%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
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	5,844,031

Part III Funding Percentages

14 Funding target attainment percentage	14	98.17%
15 Adjusted funding target attainment percentage	15	98.17%
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	93.81%
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
04/15/2015	2,322,000	0			
07/15/2015	6,000,000	0			
01/15/2016	2,831,000	0			
09/15/2016	2,552,000	0			
Totals ▶			18(b)	13,705,000	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	13,040,902

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 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: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 52
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 subject to 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	14,625,656	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
	10,717,565	4,259,100	
b Waiver amortization installment		0	
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	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	18,884,756	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	5,844,031	5,844,031
36 Additional cash requirement (line 34 minus line 35)	36	13,040,725	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	13,040,902	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	177	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	177	
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 an election was made to use PRA 2010 funding relief for this plan:				
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 SB, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 52.

Age	Age at retirement	Rates of withdrawal	Rates of retirement	Total rate	LX	Calculations # Ret or With	# Ret or With x age
30	50	0.1544	0.0000	0.1544	10,000	1,544	77,200
31	50	0.1452	0.0000	0.1452	8,456	1,228	61,391
32	50	0.1360	0.0000	0.1360	7,228	983	49,152
33	50	0.1284	0.0000	0.1284	6,245	802	40,094
34	50	0.1208	0.0000	0.1208	5,443	658	32,877
35	50	0.1132	0.0000	0.1132	4,786	542	27,087
36	50	0.1056	0.0000	0.1056	4,244	448	22,408
37	50	0.0980	0.0000	0.0980	3,796	372	18,600
38	50	0.0914	0.0000	0.0914	3,424	313	15,647
39	50	0.0848	0.0000	0.0848	3,111	264	13,190
40	50	0.0782	0.0000	0.0782	2,847	223	11,132
41	50	0.0716	0.0000	0.0716	2,624	188	9,396
42	50	0.0650	0.0000	0.0650	2,437	158	7,919
43	50	0.0604	0.0000	0.0604	2,278	138	6,880
44	50	0.0558	0.0000	0.0558	2,141	119	5,972
45	50	0.0512	0.0000	0.0512	2,021	103	5,174
46	50	0.0466	0.0000	0.0466	1,918	89	4,468
47	50	0.0420	0.0000	0.0420	1,828	77	3,839
48	50	0.0390	0.0000	0.0390	1,751	68	3,415
49	50	0.0360	0.0000	0.0360	1,683	61	3,030
50	50	0.0000	0.0200	0.0200	1,623	32	1,623
51	51	0.0000	0.0200	0.0200	1,590	32	1,622
52	52	0.0000	0.0200	0.0200	1,558	31	1,621
53	53	0.0000	0.0200	0.0200	1,527	31	1,619
54	54	0.0000	0.0200	0.0200	1,497	30	1,616
55	55	0.0000	0.0200	0.0200	1,467	29	1,613
56	56	0.0000	0.0200	0.0200	1,437	29	1,610
57	57	0.0000	0.0200	0.0200	1,409	28	1,606
58	58	0.0000	0.0200	0.0200	1,380	28	1,601
59	59	0.0000	0.0200	0.0200	1,353	27	1,596
60	60	0.0000	0.4000	0.4000	1,326	530	31,818
61	61	0.0000	0.0500	0.0500	795	40	2,426
62	62	0.0000	0.4000	0.4000	756	302	18,741
63	63	0.0000	0.0500	0.0500	453	23	1,428
64	64	0.0000	0.0500	0.0500	431	22	1,378
65	65	0.0000	0.4000	0.4000	409	164	10,639
66	66	0.0000	0.0500	0.0500	246	12	810
67	67	0.0000	0.0500	0.0500	233	12	781
68	68	0.0000	0.0500	0.0500	222	11	753
69	69	0.0000	0.0500	0.0500	211	11	726
70	70	0.0000	1.0000	1.0000	200	200	13,999
Total						10,000	518,499
Weighted average retirement age							52

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions for January 1, 2015 Funding Valuation**

Discount rate sponsor elections

• Segment rates or full yield curve	Segment		
• Look-back months	4		
		<u>Stabilized</u>	<u>Nonstabilized</u>
• First 5 years		4.72%	1.15%
• Next 15 years		6.11%	4.06%
• Over 20 years		6.81%	5.15%

Mortality sponsor elections

• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
• Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995
• Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits

417(e) lump sums

Liabilities are determined based on the underlying annuity used by the plan to determine the lump sum amount, rather than valuing the lump sum payment. This annuity is valued based on funding interest rates rather than 417(e) rates and current year 417(e) unisex mortality

Cash balance plans

• Interest accumulation rate	5.00%
• Whipsaw calculations	No
• Annuity conversion	
— Mortality table	Not applicable
— Interest rate basis	Not applicable

Other economic assumptions

• Salary increases	See table of sample rates.
• Inflation	2.50% per year.
• Cost-of-living increase on benefit	1.75% compounded annually.
• Expected investment return	8.00% for 2013, 8.00% for 2014 and 7.45% for 2015.
• Expenses	Administrative expenses paid from the trust during 2014 plus an estimate of the PBGC premiums paid in current year. \$2,997,600 added to current year normal cost.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Demographic assumptions**

- Withdrawal See table of sample rates.
- Disability incidence See table of sample rates.

	Attained age	Percentage
	50 – 59	2.00%
	60	40.00%
	61	5.00%
	62	40.00%
	63 – 64	5.00%
	65	40.00%
	66 – 69	5.00%
	70	100.00%

- Benefit commencement age for
 - Current and future vested deferred Traditional benefit – 50
Cash balance – Immediate
 - Former LeTourneau RIP vested deferred 60

	<u>Male participants</u>	<u>Female participants</u>
• Spouse assumptions		
— Percentage married	85%	60%
— Spouse age difference	0 years younger	0 years older
— Percentage married – former LeTourneau RIP	80%	80%
— Spouse age difference - former LeTourneau RIP	3 years younger	3 years older

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment – traditional	<u>Lump sum</u> <u>(under</u> <u>\$75,000)</u>	<u>5 year</u> <u>certain & life</u>	<u>Single life</u> <u>based on 50%</u> <u>J&S</u>	<u>75% J&S</u>
• Active retirements	100%	40%	0%	60%
• Future vested deferred	100%	40%	0%	60%
• Future disabilities	100%	40%	0%	60%
• Future deaths	0%	0%	100%	0%
• Current vested deferred eligible for lump sum	80%	8%	0%	12%
• Current vested deferred not eligible for lump sum	0%	40%	0%	60%
Form of payment – cash balance	<u>Lump sum</u>			
• Active retirements	100%			
• Future vested deferred	100%			
• Future disabilities	100%			
• Future deaths	100%			
• Current vested deferred	100%			
Form of payment – former LeTourneau RIP vested deferred benefits	<u>Lump sum</u> <u>(under</u> <u>\$100,000)</u>	<u>Single life</u>	<u>Single life</u> <u>based on 50%</u> <u>J&S</u>	<u>75% J&S</u>
• Future deaths	0%	0%	100%	0%
• Current vested deferred eligible for lump sum	95%	1.75%	0%	3.25%
• Current vested deferred not eligible for lump sum	0%	35%	0%	65%
Unpredictable contingent event assumptions	Not applicable			

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***Table of Sample Rates*****Salary Increases**

Attained age	Percentage increase at attained age	Ratio of salary at age 65 to salary at attained age
20	7.25%	715.5%
25	6.60	510.4
30	5.95	375.3
35	5.30	284.6
40	4.65	222.6
45	4.00	179.6
50	3.35	149.4
55	2.70	128.3
60	2.50	113.1

Attained age	Percentage	Percentage
	Disability incidence	Withdrawal*
20	0.090%	25.70%
25	0.100	20.32
30	0.110	15.44
35	0.120	11.32
40	0.150	7.82
45	0.215	5.12
50	0.330	3.30
55	0.580	2.16
60	1.180	1.62

* Ultimate rates for participants with at least 4 years of service. For other participants, the rates are 40% higher with service of 0 to 1 year, 30% higher with service of 1 to 2 years, 20% higher with service of 2 to 3 years and 10% higher with service of 3 to 4 years.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Methods for Funding*****Asset Methods***

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial Assumption Changes Since Prior Valuation

- The expense component of normal cost increased from \$2,043,373 to \$2,997,600 to reflect our expectations for the current plan year.
- Interest discounts and mortality rates were updated from 2014 to 2015 in accordance with PPA, MAP-21 and HATFA.
- Based on the amendment effective as of December 31, 2014, the maximum lump sum payable under The Rowan Pension Plan for benefits attributable to the traditional plan benefit was increased from \$25,000 to \$75,000 and 100% of participants eligible for lump sum are assumed to elect a lump sum form of payment.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 &	Total
Under 25		59 87,260 10,075									59
25–29		145 103,917 11,177	67 131,258 27,829	6							218
30–34		141 131,134 12,614	102 133,981 28,638	73 173,862 38,453							316
35–39		104 146,898 15,252	63 138,575 30,099	92 173,705 37,982	38 194,045 44,114	1					298
40–44		79 163,811 16,595	28 125,315 27,596	68 152,108 34,417	37 197,084 59,535	21 226,778 84,146					233
45–49		63 161,287 18,005	13	34 143,438 38,242	28 149,426 57,216	25 201,665 91,864	12				175
50–54		35 177,508 19,419	12	15	18	9	24 180,877 107,231	28 190,648 134,117	1		142
55–59		21 175,368 21,893	2	1	4	6	15	29 181,142 140,550	17		95
60–64		14	6	1	3	3	4	6	4	3	44
65–69		1	1				1				3
70 & up											
Total		662	294	290	128	65	56	63	22	3	1,583

In each cell, the top number is the count of active participants for each age/service combination, the middle number is average pay for 2014 limited to \$260,000, and the bottom number is the average account balance as of January 1, 2015. Average pay and average account balance are not shown for cells with fewer than 20 participants.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2015 Installment
2009	\$	(753,515)	1	\$ (753,515)
2010		7,616,937	2	3,896,271
2011		14,246,479	3	4,969,436
2012		(32,189,557)	4	(8,612,337)
2013		18,012,101	5	3,942,112
2014		8,556,637	6	1,610,649
2015		(4,771,517)	7	(793,516)
Total	\$	10,717,565		\$ 4,259,100

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions – The Rowan Pension Plan**

Effective date	The plan was amended and restated in its entirety effective July 1, 2009. The most recent amendment is effective December 31, 2014. See the significant events below for details.
Plan year	Calendar year.
Status of the plan	The Rowan traditional plan service and benefit accrual is stopped as of July 1, 2009 due to the plan change described below to a cash balance benefit described in a later section (see "Summary of Rowan Cash Balance Formula Provisions"). New employees are eligible to participate in the plan once they satisfy the participation requirements. The LeTourneau RIP formula was frozen on December 31, 2010. All participants who were active in the LeTourneau RIP on June 22, 2011 had their service terminated on that date as a result of LeTourneau Technologies, Inc. being sold.
Significant events that occurred during the year	Effective December 31, 2014, the maximum lump sum payable under The Rowan Pension Plan for benefits attributable to the traditional plan benefit was increased from \$25,000 to \$75,000. Effective July 1, 2015, the plan compensation definition was changed to exclude Up-lift earnings from eligible compensation.

Summary of Traditional Formula Provisions (Exhibit I)**Definitions**

<ul style="list-style-type: none"> Employers participating 	<p>The employers participating in the plan include:</p> <p>Rowan Companies, Inc. Rowan Drilling Company, Inc. Rowan International, Inc. RDC Marine, Inc. Rowandril, Inc. Atlantic Maritime Services, Inc. Terminator, Inc. Rowan Petroleum, Inc.</p>
<ul style="list-style-type: none"> Eligibility 	<p>All employees who have been credited with at least 1,000 Hours of Service during the twelve calendar months following date of employment.</p>
<ul style="list-style-type: none"> Benefit service 	<p>A year of Benefit Service is credited for each year an employee works 2000 or more hours. Pro-rata credit is given for years an employee works less than 2000 hours.</p>
<ul style="list-style-type: none"> Vesting service 	<p>A year of Vesting Service is credited for each year an employee works 1000 hours or more.</p> <p>Both Benefit and Vesting Service prior to the Effective Date are determined under the terms of the Plan in effect prior to the Effective Date. Benefit and Vesting Service Commencement may also be affected by the Employer's adoption agreement.</p>
<ul style="list-style-type: none"> Considered compensation 	<p>Total compensation, excluding discretionary bonuses. In no event shall considered compensation exceed the §401(a)(17) limit.</p>

Schedule SB, Part V — Summary of Plan Provisions

• Pension compensation base	Average of the annual considered compensation of the five consecutive calendar years of the last ten completed calendar years of service which yields the highest average.
Normal and late retirement	
• Eligibility	Age 60 with 3 years of vesting service.
• Benefit	A monthly amount payable for life with 60 payments certain equal to 1/12 of 1.75% of the Pension Compensation Base (disregarding any compensation by the employee after June 30, 2009) multiplied by the number of years of Benefit Service (disregarding any service completed after June 30, 2009).
Early retirement	
• Eligibility	Age 40 with 3 years of vesting service.
• Benefit	A monthly amount, deferred to age 60, calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of retirement. At the request of the employee, a reduced benefit may be paid at actual retirement, the reduction being 5% for each of the first 10 years of which payment precedes age 60 and actuarially reduced thereafter.
Disability retirement	
• Eligibility	Totally and permanently disabled at any time.
• Benefit	A monthly amount deferred to age 60, calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of the inception of his date of disability. If the total and permanent disability ceases prior to age 60, a reduced benefit may be paid starting at age 40. The reduction is the same as for Early Retirement.
Vested termination	
• Eligibility	3 years of vesting service.
• Benefit	A monthly amount deferred to age 60, calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of termination. At the employee's request, a reduced benefit may be paid starting at age 40. The reduction is the same as for early retirement.
Minimum severance benefit	Sum of an employee's total contributions prior to January 1, 1966, plus contributions made by the Company in the employee's name through January 1, 1976 plus interest at 2 1/2% through January 1, 1972, 4% through 1975, and at the rate required by IRS regulations thereafter.

Schedule SB, Part V — Summary of Plan Provisions

Death benefit	
• Eligibility	Death after 3 years of vesting service.
• Benefit	<p>The surviving spouse shall receive half of a 50% Joint & Survivor annuity payable monthly and calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of death. If the date of death is prior to age 60, a reduced benefit may be paid. The reduction is the same as for Early Retirement.</p> <p>If the participant has no surviving spouse, a monthly annuity shall be paid to his beneficiary for 60 months calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of death. If the date of death is prior to age 60, a reduced benefit may be paid. The reduction is the same as for Early Retirement.</p>
Form of benefits	
• Automatic form for unmarried participants	Life annuity with five years certain.
• Automatic form for married participants	Qualified Joint and 50% Survivor Annuity. Under this option, a reduced amount, actuarially equivalent to the single participant form of payment, is paid to the married participant for his lifetime. Upon his death, his surviving spouse receives monthly payments equal to 50% of the original amount for life.
• Optional forms	<p>Benefits payable for the life of the participant.</p> <p>Benefits payable for life with 25%, 75%, or 100% of the benefit continuing to the joint annuitant following the death of the participant.</p> <p>Benefits payable for the life of the participant with 5, 10 or 15 years certain.</p> <p>Level income option: benefits are adjusted to enable the participant to receive from the Plan and the Social Security Act a level amount for life.</p> <p>Lump sum benefit payable if present value of Rowan traditional benefit is less than \$75,000. The COLA is assumed to be 1.75% for this purpose.</p>
• Actuarial equivalence	<p><u>Level income option and lump sum option:</u></p> <p>The mortality table prescribed in Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(3)(c) with a 2 month look-back.</p> <p><u>All other forms of payment:</u></p> <p>The UP-1984 Mortality Table set forward one year using an 8.50% interest rate.</p>
• Cost-of-living adjustment	On January 1 of each year, all pensions being paid will be adjusted to reflect the change in the Consumer Price Index. The adjustment for any year will be limited to 2% per annum and will not be effective until the recipient reaches age 50.
• Expenses	Paid by the trust if not by the employer.

Schedule SB, Part V — Summary of Plan Provisions**Miscellaneous**

- | | |
|------------------------|--|
| • Maximum compensation | Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2015, the limit is \$265,000. |
| • Maximum benefits | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2015, the limit is \$210,000. |

Summary of Rowan Cash Balance Formula Provisions**Definitions**

- | | |
|---------------------------|---|
| • Eligibility | All employees who have been credited with at least 1,000 hours of service during the twelve calendar months following date of employment provided any participant in The Rowan Pension Plan as of June 30, 2009 shall become a participant on the effective date. |
| • Compensation | W-2 compensation, excluding stock options, Up-lift earnings and other fringe benefits. In no event shall compensation exceed the §401(a)(17) limit. |
| • Vesting service | Same as traditional plan. |
| • Transition participants | Participants of The Rowan Pension Plan on June 30, 2009 who were accruing benefits under the traditional formula. |
| • Pay credits | 5% compensation plus transition pay credits for Transition participants based on the following schedule: |

Points	Percentage
Under 50	0%
50 – 59	3%
60 – 69	6%
70 – 79	9%
80 or more	12%

One point is credited for each year of a Transition participant's attained age at June 30, 2009, plus one point is credited for each full year of a Transition participant's Vesting Service at June 30, 2009.

Pay credits are added to the Cash Balance Account annually.

- | | |
|-----------------------------|---|
| • Interest credit | Interest on the Cash Balance Account as of the end of each prior calendar quarter is added to the Cash Balance Account each calendar quarter. The rate credited is based on the 10-year U.S. Treasury notes in November of the preceding plan year. |
| • Cash balance account | The sum of pay credits and interest credits credited to date of determination. |
| • Participant contributions | None allowed. |
| • Actuarial equivalence | <u>All forms of payment:</u>
The mortality table prescribed in Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(3)(c) with a 2 month look-back. |

Schedule SB, Part V — Summary of Plan Provisions

• Cost of living supplements	None
Normal retirement benefits	
• Eligibility	Age 60 with 3 years of Vesting Service.
• Benefit	Lump sum equal to Cash Balance Account at time of payment or monthly amount actuarially equivalent to such balance.
Severance benefit	
• Eligibility	3 years of Vesting Service
• Benefit	Same as retirement at Normal Retirement Date, based on Cash Balance Account at commencement date.
Death with survivor benefit	The beneficiary of a deceased member of the plan may choose to receive the member's entire Cash Balance Account as a lump sum or as a monthly single life annuity.
Forms of benefit	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	50% Joint and Survivor Annuity
• Optional forms	Optional forms of payment are lump sum, single life annuity and joint and survivor (50% and 75%).
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2015, the limit is \$265,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2015, the limit is \$210,000.

Summary of LeTourneau Technologies, Inc. Retirement Income Plan Provisions (Exhibit II)

Definitions	
• Eligible employees	Any Employee of the Company excluding (i) members of a collective bargaining unit, unless there is a collective bargaining agreement providing for participation of such Employees in the Plan, (ii) non-resident aliens not on the U.S. payroll, (iii) leased employees, (iv) consultants, and (v) independent contractors.
• Eligibility	Each Transferred Member became a Member of the Plan as of the Effective Date. Any other Eligible Employee shall become a Member upon the January 1 or July 1, following one year of participation service and age 21. The plan was frozen to new Members as of December 31, 2010.
• Employer contributions	Payments to be made in such amounts as determined from time to time by the employer.
• Participant contributions	None required or permitted.

Schedule SB, Part V — Summary of Plan Provisions

• Vesting service	<p><u>After the Effective Date:</u> A Member shall be credited with one year of Vesting Service for each Plan Year in which he completes 1,000 or more Hours of Service.</p> <p><u>Before the Effective Date:</u> The Member will be credited with service as of the Effective Date determined under the terms of the General Cable Corporation Master Pension Plan.</p>
• Accrual service	<p><u>After the Effective Date:</u> For each Plan Year during which a Member works 1,000 or more hours he shall be credited with one year of Accrual Service. Pro rata credit will be given for years in which an employee works less than 1,000 hours.</p> <p><u>Before the Effective Date:</u> Same as vesting service. Benefit accruals under the plan were frozen as of December 31, 2010.</p>
• Average annual compensation	The five consecutive calendar years of employment with the Company and Controlled Entities which yield the highest average compensation.
• Pensionable earnings	The total of all base salary, overtime and bonuses paid by the Company or a Controlled Entity, including all amounts that would have been paid had the Employee not elected a reduction under section 125 or 401(k) of the Code. Covered Compensation for a plan year will not exceed the limits of IRC Section 401(a)(17).
• Primary Social Security benefit	The estimated amount of monthly benefit which will be provided by Social Security. The amount is equal to the "primary insurance amount" at age 65.
• Actuarial equivalence	Lump sum option: The mortality table prescribed by Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(e)(3)(c) with a 2 month look-back. All other forms of payment: The UP-1984 Mortality Table using an 8.00% interest rate.
Normal retirement	
• Eligibility	Age 65 with 5 years of service.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	<p>The monthly amount of benefit, payable monthly for life, is equal to:</p> <p>(1) For Transferred Members who had not withdrawn their contributions with interest, the sum of A, B and C.</p> <p>(2) For Transferred Members who had withdrawn their contributions with interest, the sum of C and the greater of A and B.</p> <p>(3) For all other Members, the sum of B and C below:</p> <p>(a) Monthly accrued benefit as of December 31, 1981 determined under the terms of the General Cable Corporation Master Pension Plan.</p> <p>(b) 1% of his Average Monthly Compensation minus 1% of his Social Security Benefit, multiplied by his years of Accrual Service prior to January 1, 1982.</p> <p>(c) 1% of his Average Monthly Compensation minus 1% of his Social Security Benefit, multiplied by his years of Accrual Service from and after January 1, 1982.</p> <p>Benefit accruals under the plan were frozen as of December 31, 2010.</p>
Early retirement	
• Eligibility	Age 55 and 5 years of Vesting Service.
• Benefit	The benefit, deferred to age 65, is determined as for normal retirement considering compensation and service to early retirement date. If the benefit commences prior to age 65, the benefit is reduced by 1/2% for each month the benefit begins before age 65.
Deferred vested	
• Eligibility	5 years of Vesting Service.
• Benefit	Calculated in the same manner as an Early Retirement Benefit.
Disability	
• Eligibility	Total and Permanent Disability before Normal Retirement Date
• Benefit	<p>Employee's covered by LTD: A benefit commencing at Normal Retirement Date (or earlier date that LTD benefits cease) based on service and pay as if the employee had remained employed throughout the time he was on LTD.</p> <p>Employee's not covered by LTD: A benefit commencing 6 months after disability based on service and pay to date of disability. If a participant was under age 55 or had less than ten years of service when he became disabled, the benefit will be payable only through his Normal Retirement Date.</p>
Death benefit	
• Eligibility	5 years of Vesting Service.
• Benefit	50% of the reduced Joint and Survivor Benefit based on the accrued benefit at date of death (or earlier termination) payable at the later of death or age 55.

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
• Automatic form for unmarried participants	The normal form of benefit payment is for the life of the participant.
• Automatic form for married participants	An actuarially equivalent qualified joint and survivor annuity is paid.
• Optional forms	Benefit payable for life with 120 monthly payments guaranteed Benefit payable for life with 50%, 75%, or 100% of the benefit continuing to the joint annuitant following the death of the participant Lump sum if value is less than \$100,000. An automatic lump sum payment if the value is less than \$5,000, and has never exceeded \$5,000
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2015, the limit is \$265,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2015, the limit is \$210,000.

Schedule SB, Part V — Summary of Plan Provisions***Benefits Included or Excluded***

Unless noted below, all benefits provided by the plan, as amended through Amendment 7, are included in this valuation.

- **Most recent plan amendments included:** Amendment 7 is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

- Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2014 to 2015.
- Effective December 31, 2014, the maximum lump sum payable under The Rowan Pension Plan for benefits attributable to the traditional plan benefit was increased from \$25,000 to \$75,000.
- Effective July 1, 2015, the plan compensation definition was changed to exclude Up-lift earnings from eligible compensation. This change was reflected as of January 1, 2015.

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

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 52.

Age	Age at retirement	Rates of withdrawal	Rates of retirement	Total rate	LX	Calculations # Ret or With	# Ret or With x age
30	50	0.1544	0.0000	0.1544	10,000	1,544	77,200
31	50	0.1452	0.0000	0.1452	8,456	1,228	61,391
32	50	0.1360	0.0000	0.1360	7,228	983	49,152
33	50	0.1284	0.0000	0.1284	6,245	802	40,094
34	50	0.1208	0.0000	0.1208	5,443	658	32,877
35	50	0.1132	0.0000	0.1132	4,786	542	27,087
36	50	0.1056	0.0000	0.1056	4,244	448	22,408
37	50	0.0980	0.0000	0.0980	3,796	372	18,600
38	50	0.0914	0.0000	0.0914	3,424	313	15,647
39	50	0.0848	0.0000	0.0848	3,111	264	13,190
40	50	0.0782	0.0000	0.0782	2,847	223	11,132
41	50	0.0716	0.0000	0.0716	2,624	188	9,396
42	50	0.0650	0.0000	0.0650	2,437	158	7,919
43	50	0.0604	0.0000	0.0604	2,278	138	6,880
44	50	0.0558	0.0000	0.0558	2,141	119	5,972
45	50	0.0512	0.0000	0.0512	2,021	103	5,174
46	50	0.0466	0.0000	0.0466	1,918	89	4,468
47	50	0.0420	0.0000	0.0420	1,828	77	3,839
48	50	0.0390	0.0000	0.0390	1,751	68	3,415
49	50	0.0360	0.0000	0.0360	1,683	61	3,030
50	50	0.0000	0.0200	0.0200	1,623	32	1,623
51	51	0.0000	0.0200	0.0200	1,590	32	1,622
52	52	0.0000	0.0200	0.0200	1,558	31	1,621
53	53	0.0000	0.0200	0.0200	1,527	31	1,619
54	54	0.0000	0.0200	0.0200	1,497	30	1,616
55	55	0.0000	0.0200	0.0200	1,467	29	1,613
56	56	0.0000	0.0200	0.0200	1,437	29	1,610
57	57	0.0000	0.0200	0.0200	1,409	28	1,606
58	58	0.0000	0.0200	0.0200	1,380	28	1,601
59	59	0.0000	0.0200	0.0200	1,353	27	1,596
60	60	0.0000	0.4000	0.4000	1,326	530	31,818
61	61	0.0000	0.0500	0.0500	795	40	2,426
62	62	0.0000	0.4000	0.4000	756	302	18,741
63	63	0.0000	0.0500	0.0500	453	23	1,428
64	64	0.0000	0.0500	0.0500	431	22	1,378
65	65	0.0000	0.4000	0.4000	409	164	10,639
66	66	0.0000	0.0500	0.0500	246	12	810
67	67	0.0000	0.0500	0.0500	233	12	781
68	68	0.0000	0.0500	0.0500	222	11	753
69	69	0.0000	0.0500	0.0500	211	11	726
70	70	0.0000	1.0000	1.0000	200	200	13,999
Total						10,000	518,499
Weighted average retirement age							52

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions – The Rowan Pension Plan**

Effective date	The plan was amended and restated in its entirety effective July 1, 2009. The most recent amendment is effective December 31, 2014. See the significant events below for details.
Plan year	Calendar year.
Status of the plan	The Rowan traditional plan service and benefit accrual is stopped as of July 1, 2009 due to the plan change described below to a cash balance benefit described in a later section (see "Summary of Rowan Cash Balance Formula Provisions"). New employees are eligible to participate in the plan once they satisfy the participation requirements. The LeTourneau RIP formula was frozen on December 31, 2010. All participants who were active in the LeTourneau RIP on June 22, 2011 had their service terminated on that date as a result of LeTourneau Technologies, Inc. being sold.
Significant events that occurred during the year	Effective December 31, 2014, the maximum lump sum payable under The Rowan Pension Plan for benefits attributable to the traditional plan benefit was increased from \$25,000 to \$75,000. Effective July 1, 2015, the plan compensation definition was changed to exclude Up-lift earnings from eligible compensation.

Summary of Traditional Formula Provisions (Exhibit I)**Definitions**

<ul style="list-style-type: none"> Employers participating 	The employers participating in the plan include: Rowan Companies, Inc. Rowan Drilling Company, Inc. Rowan International, Inc. RDC Marine, Inc. Rowandril, Inc. Atlantic Maritime Services, Inc. Terminator, Inc. Rowan Petroleum, Inc.
<ul style="list-style-type: none"> Eligibility 	All employees who have been credited with at least 1,000 Hours of Service during the twelve calendar months following date of employment.
<ul style="list-style-type: none"> Benefit service 	A year of Benefit Service is credited for each year an employee works 2000 or more hours. Pro-rata credit is given for years an employee works less than 2000 hours.
<ul style="list-style-type: none"> Vesting service 	A year of Vesting Service is credited for each year an employee works 1000 hours or more. Both Benefit and Vesting Service prior to the Effective Date are determined under the terms of the Plan in effect prior to the Effective Date. Benefit and Vesting Service Commencement may also be affected by the Employer's adoption agreement.
<ul style="list-style-type: none"> Considered compensation 	Total compensation, excluding discretionary bonuses. In no event shall considered compensation exceed the §401(a)(17) limit.

Schedule SB, Part V — Summary of Plan Provisions

• Pension compensation base	Average of the annual considered compensation of the five consecutive calendar years of the last ten completed calendar years of service which yields the highest average.
Normal and late retirement	
• Eligibility	Age 60 with 3 years of vesting service.
• Benefit	A monthly amount payable for life with 60 payments certain equal to 1/12 of 1.75% of the Pension Compensation Base (disregarding any compensation by the employee after June 30, 2009) multiplied by the number of years of Benefit Service (disregarding any service completed after June 30, 2009).
Early retirement	
• Eligibility	Age 40 with 3 years of vesting service.
• Benefit	A monthly amount, deferred to age 60, calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of retirement. At the request of the employee, a reduced benefit may be paid at actual retirement, the reduction being 5% for each of the first 10 years of which payment precedes age 60 and actuarially reduced thereafter.
Disability retirement	
• Eligibility	Totally and permanently disabled at any time.
• Benefit	A monthly amount deferred to age 60, calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of the inception of his date of disability. If the total and permanent disability ceases prior to age 60, a reduced benefit may be paid starting at age 40. The reduction is the same as for Early Retirement.
Vested termination	
• Eligibility	3 years of vesting service.
• Benefit	A monthly amount deferred to age 60, calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of termination. At the employee's request, a reduced benefit may be paid starting at age 40. The reduction is the same as for early retirement.
Minimum severance benefit	Sum of an employee's total contributions prior to January 1, 1966, plus contributions made by the Company in the employee's name through January 1, 1976 plus interest at 2 1/2% through January 1, 1972, 4% through 1975, and at the rate required by IRS regulations thereafter.

Schedule SB, Part V — Summary of Plan Provisions

Death benefit	
• Eligibility	Death after 3 years of vesting service.
• Benefit	<p>The surviving spouse shall receive half of a 50% Joint & Survivor annuity payable monthly and calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of death. If the date of death is prior to age 60, a reduced benefit may be paid. The reduction is the same as for Early Retirement.</p> <p>If the participant has no surviving spouse, a monthly annuity shall be paid to his beneficiary for 60 months calculated as for Normal Retirement considering compensation and service to the earlier of June 30, 2009 and the date of death. If the date of death is prior to age 60, a reduced benefit may be paid. The reduction is the same as for Early Retirement.</p>
Form of benefits	
• Automatic form for unmarried participants	Life annuity with five years certain.
• Automatic form for married participants	Qualified Joint and 50% Survivor Annuity. Under this option, a reduced amount, actuarially equivalent to the single participant form of payment, is paid to the married participant for his lifetime. Upon his death, his surviving spouse receives monthly payments equal to 50% of the original amount for life.
• Optional forms	<p>Benefits payable for the life of the participant.</p> <p>Benefits payable for life with 25%, 75%, or 100% of the benefit continuing to the joint annuitant following the death of the participant.</p> <p>Benefits payable for the life of the participant with 5, 10 or 15 years certain.</p> <p>Level income option: benefits are adjusted to enable the participant to receive from the Plan and the Social Security Act a level amount for life.</p> <p>Lump sum benefit payable if present value of Rowan traditional benefit is less than \$75,000. The COLA is assumed to be 1.75% for this purpose.</p>
• Actuarial equivalence	<p><u>Level income option and lump sum option:</u></p> <p>The mortality table prescribed in Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(3)(c) with a 2 month look-back.</p> <p><u>All other forms of payment:</u></p> <p>The UP-1984 Mortality Table set forward one year using an 8.50% interest rate.</p>
• Cost-of-living adjustment	On January 1 of each year, all pensions being paid will be adjusted to reflect the change in the Consumer Price Index. The adjustment for any year will be limited to 2% per annum and will not be effective until the recipient reaches age 50.
• Expenses	Paid by the trust if not by the employer.

Schedule SB, Part V — Summary of Plan Provisions**Miscellaneous**

- | | |
|------------------------|--|
| • Maximum compensation | Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2015, the limit is \$265,000. |
| • Maximum benefits | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2015, the limit is \$210,000. |

Summary of Rowan Cash Balance Formula Provisions**Definitions**

- | | |
|---------------------------|---|
| • Eligibility | All employees who have been credited with at least 1,000 hours of service during the twelve calendar months following date of employment provided any participant in The Rowan Pension Plan as of June 30, 2009 shall become a participant on the effective date. |
| • Compensation | W-2 compensation, excluding stock options, Up-lift earnings and other fringe benefits. In no event shall compensation exceed the §401(a)(17) limit. |
| • Vesting service | Same as traditional plan. |
| • Transition participants | Participants of The Rowan Pension Plan on June 30, 2009 who were accruing benefits under the traditional formula. |
| • Pay credits | 5% compensation plus transition pay credits for Transition participants based on the following schedule: |

Points	Percentage
Under 50	0%
50 – 59	3%
60 – 69	6%
70 – 79	9%
80 or more	12%

One point is credited for each year of a Transition participant's attained age at June 30, 2009, plus one point is credited for each full year of a Transition participant's Vesting Service at June 30, 2009.

Pay credits are added to the Cash Balance Account annually.

- | | |
|-----------------------------|---|
| • Interest credit | Interest on the Cash Balance Account as of the end of each prior calendar quarter is added to the Cash Balance Account each calendar quarter. The rate credited is based on the 10-year U.S. Treasury notes in November of the preceding plan year. |
| • Cash balance account | The sum of pay credits and interest credits credited to date of determination. |
| • Participant contributions | None allowed. |
| • Actuarial equivalence | <u>All forms of payment:</u>
The mortality table prescribed in Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(3)(c) with a 2 month look-back. |

Schedule SB, Part V — Summary of Plan Provisions

• Cost of living supplements	None
Normal retirement benefits	
• Eligibility	Age 60 with 3 years of Vesting Service.
• Benefit	Lump sum equal to Cash Balance Account at time of payment or monthly amount actuarially equivalent to such balance.
Severance benefit	
• Eligibility	3 years of Vesting Service
• Benefit	Same as retirement at Normal Retirement Date, based on Cash Balance Account at commencement date.
Death with survivor benefit	The beneficiary of a deceased member of the plan may choose to receive the member's entire Cash Balance Account as a lump sum or as a monthly single life annuity.
Forms of benefit	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	50% Joint and Survivor Annuity
• Optional forms	Optional forms of payment are lump sum, single life annuity and joint and survivor (50% and 75%).
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2015, the limit is \$265,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2015, the limit is \$210,000.

Summary of LeTourneau Technologies, Inc. Retirement Income Plan Provisions (Exhibit II)

Definitions	
• Eligible employees	Any Employee of the Company excluding (i) members of a collective bargaining unit, unless there is a collective bargaining agreement providing for participation of such Employees in the Plan, (ii) non-resident aliens not on the U.S. payroll, (iii) leased employees, (iv) consultants, and (v) independent contractors.
• Eligibility	Each Transferred Member became a Member of the Plan as of the Effective Date. Any other Eligible Employee shall become a Member upon the January 1 or July 1, following one year of participation service and age 21. The plan was frozen to new Members as of December 31, 2010.
• Employer contributions	Payments to be made in such amounts as determined from time to time by the employer.
• Participant contributions	None required or permitted.

Schedule SB, Part V — Summary of Plan Provisions

• Vesting service	<p><u>After the Effective Date:</u> A Member shall be credited with one year of Vesting Service for each Plan Year in which he completes 1,000 or more Hours of Service.</p> <p><u>Before the Effective Date:</u> The Member will be credited with service as of the Effective Date determined under the terms of the General Cable Corporation Master Pension Plan.</p>
• Accrual service	<p><u>After the Effective Date:</u> For each Plan Year during which a Member works 1,000 or more hours he shall be credited with one year of Accrual Service. Pro rata credit will be given for years in which an employee works less than 1,000 hours.</p> <p><u>Before the Effective Date:</u> Same as vesting service. Benefit accruals under the plan were frozen as of December 31, 2010.</p>
• Average annual compensation	The five consecutive calendar years of employment with the Company and Controlled Entities which yield the highest average compensation.
• Pensionable earnings	The total of all base salary, overtime and bonuses paid by the Company or a Controlled Entity, including all amounts that would have been paid had the Employee not elected a reduction under section 125 or 401(k) of the Code. Covered Compensation for a plan year will not exceed the limits of IRC Section 401(a)(17).
• Primary Social Security benefit	The estimated amount of monthly benefit which will be provided by Social Security. The amount is equal to the "primary insurance amount" at age 65.
• Actuarial equivalence	<p>Lump sum option: The mortality table prescribed by Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(e)(3)(c) with a 2 month look-back.</p> <p>All other forms of payment: The UP-1984 Mortality Table using an 8.00% interest rate.</p>
Normal retirement	
• Eligibility	Age 65 with 5 years of service.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	<p>The monthly amount of benefit, payable monthly for life, is equal to:</p> <p>(1) For Transferred Members who had not withdrawn their contributions with interest, the sum of A, B and C.</p> <p>(2) For Transferred Members who had withdrawn their contributions with interest, the sum of C and the greater of A and B.</p> <p>(3) For all other Members, the sum of B and C below:</p> <p>(a) Monthly accrued benefit as of December 31, 1981 determined under the terms of the General Cable Corporation Master Pension Plan.</p> <p>(b) 1% of his Average Monthly Compensation minus 1% of his Social Security Benefit, multiplied by his years of Accrual Service prior to January 1, 1982.</p> <p>(c) 1% of his Average Monthly Compensation minus 1% of his Social Security Benefit, multiplied by his years of Accrual Service from and after January 1, 1982.</p> <p>Benefit accruals under the plan were frozen as of December 31, 2010.</p>
Early retirement	
• Eligibility	Age 55 and 5 years of Vesting Service.
• Benefit	The benefit, deferred to age 65, is determined as for normal retirement considering compensation and service to early retirement date. If the benefit commences prior to age 65, the benefit is reduced by 1/2% for each month the benefit begins before age 65.
Deferred vested	
• Eligibility	5 years of Vesting Service.
• Benefit	Calculated in the same manner as an Early Retirement Benefit.
Disability	
• Eligibility	Total and Permanent Disability before Normal Retirement Date
• Benefit	<p>Employee's covered by LTD: A benefit commencing at Normal Retirement Date (or earlier date that LTD benefits cease) based on service and pay as if the employee had remained employed throughout the time he was on LTD.</p> <p>Employee's not covered by LTD: A benefit commencing 6 months after disability based on service and pay to date of disability. If a participant was under age 55 or had less than ten years of service when he became disabled, the benefit will be payable only through his Normal Retirement Date.</p>
Death benefit	
• Eligibility	5 years of Vesting Service.
• Benefit	50% of the reduced Joint and Survivor Benefit based on the accrued benefit at date of death (or earlier termination) payable at the later of death or age 55.

Schedule SB, Part V — Summary of Plan Provisions

Form of benefits	
• Automatic form for unmarried participants	The normal form of benefit payment is for the life of the participant.
• Automatic form for married participants	An actuarially equivalent qualified joint and survivor annuity is paid.
• Optional forms	Benefit payable for life with 120 monthly payments guaranteed Benefit payable for life with 50%, 75%, or 100% of the benefit continuing to the joint annuitant following the death of the participant Lump sum if value is less than \$100,000. An automatic lump sum payment if the value is less than \$5,000, and has never exceeded \$5,000
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2015, the limit is \$265,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2015, the limit is \$210,000.

Schedule SB, Part V — Summary of Plan Provisions***Benefits Included or Excluded***

Unless noted below, all benefits provided by the plan, as amended through Amendment 7, are included in this valuation.

- **Most recent plan amendments included:** Amendment 7 is included because it was adopted by the valuation date and is effective by the end of the plan year.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

- Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2014 to 2015.
- Effective December 31, 2014, the maximum lump sum payable under The Rowan Pension Plan for benefits attributable to the traditional plan benefit was increased from \$25,000 to \$75,000.
- Effective July 1, 2015, the plan compensation definition was changed to exclude Up-lift earnings from eligible compensation. This change was reflected as of January 1, 2015.

THE ROWAN PENSION PLAN
EIN: 75-0759420 Plan Number: 001

Form 5500 Schedule H, Line 4i
Schedule of Assets (Held at End of Year)

December 31, 2015

[a] Party- in- interest	[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
	AQR INTERNATIONAL SMALL CAP EQUITY TRUST	PARTNERSHIP/JOINT VENTURE INTERESTS	\$ 23,000,000	\$ 33,065,860
	CENTER SQUARE EB GLOBAL REAL ESTATE	PARTNERSHIP/JOINT VENTURE INTERESTS	15,126,505	19,271,854
	UBS TRUMBULL PROPERTY FUND (TPF)	PARTNERSHIP/JOINT VENTURE INTERESTS	19,482,483	30,626,580
	SSGA RUSSELL 2000 INDEX NL FUND	COMMON/COLLECTIVE TRUSTS	36,259,607	36,408,948
	SSGA MSCI ACWI EX USA NON-LENDING FUND	COMMON/COLLECTIVE TRUSTS	129,589,442	128,426,589
	SSGA S&P 500 FLAGSHIP NON-LENDING FUND	COMMON/COLLECTIVE TRUSTS	108,420,429	135,711,536
	SSGA U.S. AGGREGATE BOND INDEX NON-LENDI	COMMON/COLLECTIVE TRUSTS	70,725,885	75,910,465
*	JPMORGAN 100% US TREAS SEC MMKT FUND AGE	MONEY MARKET FUND	11,862,388	11,862,388
	WESTERN ASSET FUND INC CORE PLUS BOND IS	REGISTERED INVESTMENT COMPANIES	70,420,792	76,135,771
	OTHER ASSETS	COMMON STOCK	1,379	894
	Total Plan investments at fair value			<u>\$ 547,420,885</u>

* - Denotes party-in-interest

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installment for each plan year covered under PPA. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2015 Installment
2009	\$	(753,515)	1	\$ (753,515)
2010		7,616,937	2	3,896,271
2011		14,246,479	3	4,969,436
2012		(32,189,557)	4	(8,612,337)
2013		18,012,101	5	3,942,112
2014		8,556,637	6	1,610,649
2015		(4,771,517)	7	(793,516)
Total	\$	10,717,565		\$ 4,259,100

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial Assumption Changes Since Prior Valuation

- The expense component of normal cost increased from \$2,043,373 to \$2,997,600 to reflect our expectations for the current plan year.
- Interest discounts and mortality rates were updated from 2014 to 2015 in accordance with PPA, MAP-21 and HATFA.
- Based on the amendment effective as of December 31, 2014, the maximum lump sum payable under The Rowan Pension Plan for benefits attributable to the traditional plan benefit was increased from \$25,000 to \$75,000 and 100% of participants eligible for lump sum are assumed to elect a lump sum form of payment.