

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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</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.) ☒ 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) <u>REV. PROC. 2007-56</u>	

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN</u>	1b	Three-digit plan number (PN) ► <u>012</u>
		1c	Effective date of plan <u>09/01/1985</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>SMITH INTERNATIONAL, INC.</u> <u>SCHLUMBERGER REGIONAL SUPPORT CTR</u> <u>3600 BRIARPARK DR., 3RD FLOOR, MD-4</u> <u>HOUSTON, TX 77042</u>	2b	Employer Identification Number (EIN) <u>95-3822631</u>
		2c	Plan Sponsor's telephone number <u>281-443-3370</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.	11/15/2017	MARGARET BAILEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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 1752
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..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 62 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 0 6h 0
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 1I 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) ☐ 0 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)

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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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 _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **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 <u>SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>012</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</u>
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 <u>01</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>16306585</u>
b Actuarial value	2b <u>17080261</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>877</u> (2) Vested Funding Target <u>8279885</u> (3) Total Funding Target <u>8279885</u>
b For terminated vested participants	<u>813</u> <u>7547514</u> <u>7547514</u>
c For active participants	<u>62</u> <u>403395</u> <u>424984</u>
d Total	<u>1752</u> <u>16230794</u> <u>16252383</u>
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 <u>5.92 %</u>
6 Target normal cost	6 <u>255000</u>

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		<u>09/07/2017</u>
	Signature of actuary	Date
<u>PAUL M. YIM</u>	Type or print name of actuary	<u>17-06083</u>
<u>AON CONSULTING, INC.</u>	Firm name	Most recent enrollment number
<u>9500 LAKESIDE BLVD.</u> <u>THE WOODLANDS, TX 77381</u>	Address of the firm	<u>281-363-0456</u>
		Telephone number (including area code)

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 ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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	2374969
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	542725
9	Amount remaining (line 7 minus line 8)	0	1832244
10	Interest on line 9 using prior year's actual return of <u>-0.16</u> %	0	-2932
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
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>6.14</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		
12	Other reductions in balances due to elections or deemed elections		1005000
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	824312

Part III Funding Percentages			
14	Funding target attainment percentage	14	100.02%
15	Adjusted funding target attainment percentage	15	105.09%
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	95.94%
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
Totals ►			18(b)	0	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 0	
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:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1st segment: 4.43%</td> <td style="width: 33%;">2nd segment: 5.91%</td> <td style="width: 33%;">3rd segment: 6.65%</td> </tr> </table>	1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%	☐ N/A, full yield curve used
1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%				
b	Applicable month (enter code)	21b	0			
22	Weighted average retirement age	22	62			
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute					
Part VI	Miscellaneous Items					
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No					
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No					
26	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No					
27	If the plan is 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	255000			
b	Excess assets, if applicable, but not greater than line 31a	31b	3566			
32	Amortization installments:	Outstanding Balance	Installment			
a	Net shortfall amortization installment	0	0			
b	Waiver amortization installment	0	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			
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34			
			251434			
	Carryover balance	Prefunding balance	Total balance			
35	Balances elected for use to offset funding requirement	251434	251434			
36	Additional cash requirement (line 34 minus line 35)		36			
			0			
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37			
			0			
38	Present value of excess contributions for current year (see instructions)					
a	Total (excess, if any, of line 37 over line 36)	38a	0			
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0			
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39			
			0			
40	Unpaid minimum required contributions for all years		40			
			0			
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)					
41	If 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 C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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
		2016
		This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN	B Three-digit plan number (PN) ▶	012
C Plan sponsor's name as shown on line 2a of Form 5500 SMITH INTERNATIONAL, INC.	D Employer Identification Number (EIN) 95-3822631	

Part I	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)

AON HEWITT

36-2235791

(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 50	NONE	56500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

COMERICA BANK - TEXAS

38-2702003

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
19 21 50	NONE	49005	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

BDO USA, LLP

13-5381590

(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 50	NONE	32500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

SIBSON CONSULTING

13-1835864

(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?
17	NONE	21600	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	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 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>012</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</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>BOND INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>COMERICA BANK - TEXAS</u>		
c EIN-PN <u>38-6555716-001</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) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FOREIGN EQUITY INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>COMERICA BANK - TEXAS</u>		
c EIN-PN <u>38-6589861-001</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) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>S&P 500 INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>COMERICA BANK - TEXAS</u>		
c EIN-PN <u>38-6555647-001</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) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MEDIUM CAP INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>COMERICA BANK - TEXAS</u>		
c EIN-PN <u>38-6589863-001</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) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SMALL CAP INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>COMERICA BANK - TEXAS</u>		
c EIN-PN <u>38-3192888-001</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) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>TOTAL US TIPS INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>COMERICA BANK - TEXAS</u>		
c EIN-PN <u>27-6889044-001</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) 0
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>Internal Revenue Service</small> <hr/> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <hr/> <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.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN	B Three-digit plan number (PN) ►	012
C Plan sponsor's name as shown on line 2a of Form 5500 SMITH INTERNATIONAL, INC.	D Employer Identification Number (EIN) 95-3822631	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	2	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	105018	0
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	16201565	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

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	16306585	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	0	0
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	16306585	0
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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)		
(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)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	493	
(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)		493
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(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)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		985944
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		986437

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1143505	
(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)		1143505
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)	110600	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	49005	
(4) Other	2i(4)	187968	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		347573
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1491078

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-504641
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		15801944

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: BDO USA, LLP

(2) EIN: 13-5381590

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

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

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 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:

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	Amount
4a		X	
4b		X	

		Yes	No	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.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k	X		
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o		X	

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
SCHLUMBERGER TECHNOLOGY CORP PENSION PLAN	22-1692661	007

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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 3995940. (See instructions.)

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 sections 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 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>012</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</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>38-2702003</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>30</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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

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>44.9</u> % Investment-Grade Debt: <u>54.5</u> % High-Yield Debt: <u>0.0</u> % Real Estate: <u>0.0</u> % Other: <u>0.6</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? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	



Smith International, Inc. Restated Pension Plan

Financial Statements and Supplemental Schedules

Years Ended December 31, 2016 and 2015

Smith International, Inc. Restated Pension Plan

Financial Statements and Supplemental Schedules
Years Ended December 31, 2016 and 2015

Smith International, Inc. Restated Pension Plan

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Supplemental Schedules*:

Schedule H, line 4i—Schedule of Assets (Held at End of Year)— December 31, 2016	15
Schedule H, line 4j—Schedule of Reportable Transactions for the Year Ended— December 31, 2016	16

*Other schedules required by 29 CFR Section 103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.



Independent Auditor's Report

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

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Smith International, Inc. Restated Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. 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"), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Comerica Bank, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the Plan administrator 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 - Supplemental Schedules

The supplemental Schedule H, line 4i-Schedule of Assets (Held at End of Year) as of December 31, 2016 and Schedule H, line 4j-Schedule of Reportable Transactions for the year then ended December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are 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 these supplemental schedules.

Other Matter - Merger

As discussed further in Note 1, the Plan was merged with and into the Schlumberger Technology Corporation Pension Plan effective December 31, 2016.

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

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

BDO US & LP

New York, NY
November 15, 2017

Financial Statements

Smith International, Inc. Restated Pension Plan

Statements of Net Assets Available for Benefits

<i>December 31,</i>	2016	2015
Assets		
Investments, at fair value:		
Collective trusts	\$ -	\$ 16,201,565
Short-term investment fund	501,719	105,018
Total investments	501,719	16,306,583
Interest and dividends receivable	225	2
Payable to related plan	(501,944)	-
Net assets available for benefits	\$ -	\$ 16,306,585

See accompanying notes to financial statements.

Smith International, Inc. Restated Pension Plan
Statements of Changes in Net Assets Available for Benefits

<i>Years ended December 31,</i>	2016	2015
Additions:		
Investment income:		
Net appreciation (depreciation) in fair value of investments	\$ 894,935	\$ (30,462)
Interest and dividends	91,502	3,641
Total additions (reductions)	986,437	(26,821)
Deductions:		
Benefits paid to participants	1,143,505	1,275,112
Administrative expenses	347,573	249,022
Total deductions	1,491,078	1,524,134
Net decrease	(504,641)	(1,550,955)
Transfer of assets due to merger	(15,801,944)	-
Net assets available for benefits, beginning of year	16,306,585	17,857,540
Net assets available for benefits, end of year	\$ -	\$ 16,306,585

See accompanying notes to financial statements.

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

1. Description of the Plan

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

General

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

Effective December 31, 2016, the Plan was merged with and into the Schlumberger Technology Corporation Pension Plan (“the Schlumberger Pension Plan”). The net assets of the Plan transferred into the Schlumberger Pension Plan as of the merger date are as follows:

Investments, at fair value	15,801,719
Interest and dividends receivable	225
Net assets transferred	\$ 15,801,944

All benefits accrued under the Plan were incorporated into the Schlumberger Pension Plan for use solely with respect to the funds transferred from the Plan to the extent required by law.

Benefits Paid to Participants

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

The participants’ benefit payments could be distributed through the following methods:

- (i) Standard 50/50 joint and survivor annuity;
- (ii) Single life annuity;
- (iii) 10-year certain life annuity option;
- (iv) 75 percent/100 percent joint and survivor annuity option; or
- (v) For terminated participants only, a lump sum if accrued benefit does not exceed \$5,000.

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

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

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

Administration and Trustee

The Company was the Plan administrator as defined under the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. The Plan’s operations were monitored by an administrative committee which was comprised of officers and employees of the Company. Comerica Bank (“Comerica”) was the trustee of Plan investments during the years ended December 31, 2016 and 2015.

Funding Policy

Employer contributions were determined by an independent actuary, Aon Hewitt (“Hewitt”), and were designed to fund the Plan’s estimated costs in accordance with the funding standards of ERISA. The Plan met the minimum funding requirements of ERISA for the years ended December 31, 2016 and 2015.

Vesting

All Plan participants were fully vested at December 31, 2016 and 2015.

2. Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

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

Investment Valuation and Income Recognition

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

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

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

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

Level 2: Inputs to the valuation methodology include:

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

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

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

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

In determining the fair value of investments, the Plan uses various inputs and valuation methodologies which are described in Note 5. There have been no significant changes in the inputs or valuation methodologies used at December 31, 2016 and 2015.

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

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

Benefits Paid to Participants

Benefits paid to participants are recorded upon distribution. There were no benefits payable to participants as of December 31, 2016 or 2015.

Administrative Expenses

The Plan is responsible for its administrative expenses. The Company could elect to pay administrative expenses on behalf of the Plan. Investment-related expenses are included in net appreciation of fair value of investments.

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

3. Risks and Uncertainties

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

Plan contributions were 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.

4. Information Certified by the Plan's Trustee

The following is a summary of the information regarding the Plan as of December 31, 2016 and 2015, and for the years then ended, included in the Plan's financial statements and supplemental schedules that were derived from information prepared by the trustee of the Plan and furnished to the Plan administrator. The Plan administrator has obtained certification from the trustee that such information is complete and accurate.

<i>December 31,</i>	2016	2015
Investments, at fair value:		
Collective trusts	\$ -	\$ 16,201,565
Short-term investment fund	\$ 501,719	\$ 105,018
Interest and dividends receivable	\$ 225	\$ 2
<i>Year ended December 31,</i>	2016	2015
Net appreciation (depreciation) in fair value of investments	\$ 894,935	\$ (30,462)
Interest and dividends	\$ 91,502	\$ 3,641

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

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

5. Fair Value Measurements

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2016 and 2015 as discussed in Note 2:

Assets at fair value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Short-term investment fund	\$ -	\$ 501,719	\$ -	\$ 501,719
Total investments, at fair value			\$	501,719

Assets at fair value as of December 31, 2015				
	Level 1	Level 2	Level 3	Total
Short-term investment fund	\$ -	\$ 105,018	\$ -	\$ 105,018
Total investments in the fair value hierarchy	-	105,018	-	105,018
Collective trusts, measured at NAV				16,201,565
Total investments, at fair value			\$	16,306,583

The following is a description of the methodologies used for assets measured at fair value as of December 31, 2016 and 2015:

Collective trusts - Collective trusts are stated at net asset value ("NAV") as determined by the issuer of the respective trust. The NAV is used as a practical expedient to estimate fair value and is based on the fair value of the underlying investments held by each trust less its liabilities. The collective trust have not been categorized in the fair value hierarchy. The fair value amounts presented in the tables are intended to and permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

Short-term investment fund - The short-term investment fund is stated at amortized cost which approximates fair value.

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

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

The following table summarizes investments measured at fair value and reported at NAV per share as of December 31, 2015:

	Fair Value 2015	Unfunded Commitments at December 31, 2015	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Collective trusts:				
Comerica Bond Index Fund	\$ 8,063,314	\$ -	Daily	Same day
Comerica S&P 500 Index Fund	4,249,335	-	Daily	Same day
Comerica Foreign Equity Fund	1,381,990	-	Daily	Same day
Comerica Medium Cap Index Fund	1,059,323	-	Daily	Same day
Comerica Total U.S. TIPS Index Fund	822,137	-	Daily	Same day
Comerica Small Cap Index Fund	625,466	-	Daily	Same day
Total	\$ 16,201,565			

6. Accumulated Plan Benefits

Accumulated Plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered prior to March 1, 1987. The significant actuarial assumptions used in the valuations as of December 31, 2015 were (a) discount rate of 6.50%, (b) life expectancy of participants using the RP-2014 Mortality Table with generational mortality improvement projection under scale SSA (changed from RP-2000 Mortality Table with Projection Scale BB, which is reflected in other changes in the actuarial present value of accumulated Plan benefits) and (c) retirement age assumptions (an assumed retirement age of 62 for active employees and age 65 for terminated vested employees).

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

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

The actuarial present value of accumulated Plan benefits as determined by Hewitt as of December 31, 2015 was as follows:

<i>December 31,</i>	<i>2015</i>
Vested benefits:	
Participants and beneficiaries currently receiving payments	\$ 8,521,061
Other vested benefits	7,977,056
Total vested benefits	16,498,117
Nonvested benefits	21,654
Total actuarial present value of accumulated Plan benefits	\$ 16,519,771

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

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

Actuarial present value of accumulated Plan benefits at December 31, 2014	\$ 15,688,346
Changes during the year attributable to:	
Increase for interest related to the decrease in the discount period	978,301
Assumption changes	711,848
Other changes	416,388
Benefits paid	(1,275,112)
Net change	831,425
Total actuarial present value of accumulated Plan benefits at December 31, 2015	\$ 16,519,771

The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2016 and 2015. Had the valuations been performed as of December 31, there would be no material differences.

As discussed in Note 1, the Plan merged with and into the Schlumberger Pension Plan effective December 31, 2016. Accordingly, the benefit obligations transferred upon merger.

7. Exempt Party-in-Interest Transactions

The Plan invested in certain shares of collective trusts that were managed by Comerica. Fees paid to Comerica, as trustee, were \$49,005 and \$38,392 for the years ended December 31, 2016 and 2015, respectively. These transactions qualify as party-in-interest transactions which are exempt from the prohibited transaction rules of ERISA. As described in Note 2, the Plan paid certain expenses related to plan operations to various service providers. These transactions are party-in-interest transactions under ERISA.

8. Federal Income Tax Status

The IRS determined and informed the Company by a letter dated March 13, 2012, that the Plan and related trust were designed and in compliance with the applicable requirements of the Code. The Plan has been amended since receiving the determination letter. The Plan administrator believes the Plan was designed and was being operated in compliance with the applicable requirements of the Code and that the Plan continues to be tax-exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods.

The Plan administrator identified certain operational issues with respect to the Plan and filed a Voluntary Correction Program ("VCP") submission with the IRS, which included the Company's plans for correcting the issues noted. The Plan administrator has received a compliance statement from the IRS on March 10, 2016, indicating that the corrective measures and revised administrative procedures described in the statement are acceptable. The final outcome did not have a material effect on the Plan's financial statements or its tax status.

Smith International, Inc. Restated Pension Plan

Notes to Financial Statements

9. Subsequent Events

In October 2017, the Internal Revenue Services updated the mortality tables to be used for both ERISA funding and lump sum benefits beginning in the 2018 calendar year. In addition, it also updated the static mortality tables for plan years beginning during 2017 with respect to valuation dates occurring during 2018. These changes could potentially impact lump sum benefits, funding costs and balance sheet obligations, except in situations where the projected lump sum mortality rates were already considered. Plan management is currently evaluating the impact to the Plan.

For the purposes of determining the effect of subsequent events on these financial statements, management has evaluated events through November 15, 2017, the date on which the financial statements were available to be issued.

Supplemental Schedules

Schedule SB Attachment (Form 5500)—2016 Plan Year
 Smith International, Inc. Restated Pension Plan
 EIN: 95-3822631 PN: 012

**Schedule SB, Line 26—Schedule of Active Participant Data
 As of January 1, 2016**

**Smith International, Inc.
 Restated Pension Plan
 Active Employees**

EIN: 95-3822631 PN: 012

Number of Participants

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34										
35-39										
40-44										
45-49										
50-54		11								
55-59		24								
60-64		20								
65-69		6								
70+		1								

N-62

Schedule SB Attachment (Form 5500)—2016 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, Part V—Statement of Actuarial Assumptions

Interest Rates for Minimum Funding Purposes	Based on segment rates with no lookback (as of January 2016), each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
1st Segment Rate	4.43%
2nd Segment Rate	5.91%
3rd Segment Rate	6.65%
Interest Rates for Maximum Tax Purposes	Based on segment rates with no lookback (as of January 2016), without regard to interest rate stabilization.
1st Segment Rate	1.41%
2nd Segment Rate	3.96%
3rd Segment Rate	4.97%
Salary increases	N/A, benefits are frozen.
Retirement Rates	The retirement age assumption for active participants is 62. The retirement age assumption for terminated vested participants is 65.
Mortality Rates	2016 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e).
Withdrawal Rates	None assumed.
Disability Rates	None assumed.
Valuation of Plan Assets	<p>Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.</p> <p>A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).</p>

Schedule SB Attachment (Form 5500)—2016 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Expected Return on Assets

2014 Plan Year	6.75%
2015 Plan Year	6.75%

Trust Expenses Included in Target Normal Cost	Estimate based on expected expense and average of administrative expenses paid during the last three years.
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Actuarial Method	Standard unit credit cost method
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Valuation Date	January 1, 2016
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Changes in ERISA Methods/Assumptions Since the Prior Year

Method Changes

The funding valuation does not reflect any method changes.

Assumption Changes

The funding valuation reflects the following assumption changes:

- A change in the interest rate assumption from segment rates as of January 2015 to segment rates as of January 2016, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2015 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2016 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e).

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 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 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>	
A This return/report is for:	☐ a multiemployer plan ☒ a single-employer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a DFE (specify) _____ B This return/report is:
☐ the first return/report ☐ an amended return/report	☒ the final 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 ☒ special extension (enter description) <u>Rev. Proc. 2007-56</u>	

Part II Basic Plan Information—enter all requested information			
1a Name of plan SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN	1b Three-digit plan number (PN) ▶	012	
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) Smith International, Inc. Schlumberger Regional Support Ctr 3600 Briarpark Dr., 3rd Floor, MD-4 Houston TX 77042	1c Effective date of plan 09/01/1985	2b Employer Identification Number (EIN) 95-3822631	2c Plan Sponsor's telephone number 281-443-3370
Schlumberger Regional Support Ctr 3600 Briarpark Dr., 3rd Floor, MD-4 Houston TX 77042	2d Business code (see instructions) 211110		

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

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

SIGN HERE		11/15/17	MARGARET BAILEY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		11/15/17	MARGARET BAILEY
	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	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 1, 752
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) 62
a(2) Total number of active participants at the end of the plan year	6a(2) 0
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits	6c 0
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e	6f 0
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 0
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 1I 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)

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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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 _____

Smith International, Inc. Restated Pension Plan

Schedule H (Form 5500), Part IV, Line 4j-Schedule of Reportable Transactions EIN/PN: 95-3822631/012

Year ended December 31, 2016

(a) Identity of Party Involved	(b) Description of Asset (Including Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred With Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (i): Single Transaction Exceeding 5% of the Current Value of Plan Assets:								
Comerica Bank	Comerica Medium Cap Index Fund	\$ -	\$ 921,216	\$ -	\$ -	\$ 442,820	\$ 921,216	\$ 478,396
Comerica Bank	Comerica S&P 500 Index Fund	\$ -	\$ 4,539,760	\$ -	\$ -	\$ 2,339,226	\$ 4,539,760	\$ 2,200,534
Comerica Bank	Comerica Foreign Equity Fund	\$ -	\$ 1,362,019	\$ -	\$ -	\$ 652,878	\$ 1,362,019	\$ 709,141
Comerica Bank	Comerica Bond Index Fund	\$ -	\$ 7,802,111	\$ -	\$ -	\$ 6,325,040	\$ 7,802,111	\$ 1,477,071
Goldman Sachs	Goldman Sachs FS Government Fund	\$ 15,386,031	\$ -	\$ -	\$ -	\$ 15,386,031	\$ 15,386,031	\$ -
Goldman Sachs	Goldman Sachs FS Government Fund	\$ -	\$ 15,299,257	\$ -	\$ -	\$ 15,299,257	\$ 15,299,257	\$ -
Category (iii) Series of Transactions Exceeding 5% of the Current Value of Plan Assets:								
Goldman Sachs	Goldman Sachs FS Government Fund	\$ -	\$ 29,924,363	\$ -	\$ -	\$ 29,924,363	\$ 29,924,363	\$ -
<i>There were no category (ii) or (iv) transactions</i>								

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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

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

OMB No. 1210-0110

2016**This Form is Open to Public
Inspection**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan SMITH INTERNATIONAL, INC. RESTATED PENSION PLAN	B Three-digit plan number (PN) ▶ 012
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF SMITH INTERNATIONAL, INC.	D Employer Identification Number (EIN) 95-3822631
E Type of plan: ☒ 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 <u>01</u> Day <u>01</u> Year <u>2016</u>			
2 Assets:			
a Market value.....	2a	16,306,585	
b Actuarial value.....	2b	17,080,261	
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.....	877	8,279,885	8,279,885
b For terminated vested participants.....	813	7,547,514	7,547,514
c For active participants.....	62	403,395	424,984
d Total.....	1,752	16,230,794	16,252,383
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	5.92%	
6 Target normal cost.....	6	255,000	

Statement by Enrolled Actuary

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

**SIGN
HERE**

Signature of actuary

09/07/2017

Date

PAUL M. YIM

1706083

Type or print name of actuary

Most recent enrollment number

Aon Consulting, Inc.

281-363-0456

Firm name

Telephone number (including area code)

9500 LAKESIDE BLVD.

THE WOODLANDS TX 77381

Address of the firm

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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	2,374,969
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year).....	0	542,725
9 Amount remaining (line 7 minus line 8).....	0	1,832,244
10 Interest on line 9 using prior year's actual return of <u>-0.16%</u>	0	-2,932
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		0
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>6.14%</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.....		
12 Other reductions in balances due to elections or deemed elections.....		1,005,000
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12).....	0	824,312

Part III Funding Percentages

14 Funding target attainment percentage.....	14	100.02%
15 Adjusted funding target attainment percentage.....	15	105.09%
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	95.94%
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
Totals ▶			18(b)	0	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	0

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: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is 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	255,000										
b Excess assets, if applicable, but not greater than line 31a	31b	3,566										
32 Amortization installments:	<table border="1"> <thead> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> </thead> <tbody> <tr> <td>a Net shortfall amortization installment.....</td> <td>0</td> <td>0</td> </tr> <tr> <td>b Waiver amortization installment</td> <td>0</td> <td>0</td> </tr> </tbody> </table>				Outstanding Balance	Installment	a Net shortfall amortization installment.....	0	0	b Waiver amortization installment	0	0
	Outstanding Balance	Installment										
a Net shortfall amortization installment.....	0	0										
b Waiver amortization installment	0	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											
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	251,434										
		Carryover balance	Prefunding balance									
35 Balances elected for use to offset funding requirement.....			251,434									
36 Additional cash requirement (line 34 minus line 35).....	36	0										
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0										
38 Present value of excess contributions for current year (see instructions)												
a Total (excess, if any, of line 37 over line 36)	38a	0										
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0										
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0										
40 Unpaid minimum required contributions for all years	40	0										

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If 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 Attachment (Form 5500)—2016 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

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

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

Schedule SB Attachment (Form 5500)—2016 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, Part V—Summary of Plan Provisions

Summary of Plan Provisions

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

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

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

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

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

Schedule SB Attachment (Form 5500)—2016 Plan Year
 Smith International, Inc. Restated Pension Plan
 EIN: 95-3822631 PN: 012

Effective Date	September 1, 1985. Most recently amended as of October 28, 1994.
Eligibility for Participation	All regular employees employed prior to March 1, 1987 of any participating Smith International, Inc. division.
Eligibility for Benefits	
Normal	Age 65.
Early	Age 55 and ten years of service.
Termination	Five years of service.
Monthly Benefits	
Normal	<p>(1) reduced by (2) and further reduced by (3) as set forth below:</p> <p>(1) Years of credited service prior to February 28, 1987 times</p> <p>1¾% of the highest average monthly earnings for 60 consecutive months during the 120 months preceding February 28, 1987.</p> <p>(2) Primary age 65 monthly Social Security amount (based on the Social Security law in effect for 1987 and assuming level future earnings) times the lesser of</p> <p>1½% times years of credited service prior to February 28, 1987 or 52½% times years of credited service prior to February 28, 1987 divided by years of service that would be accrued at age 65.</p> <p>(3) Monthly retirement benefit provided by the predecessor plan.</p>
Early	The accrued Normal Retirement benefit reduced 3% per year for each year prior to 65 that is between 60 and 65, and 5% per year for each year between 55 and 60.
Termination	The accrued Normal Retirement benefit payable at age 65, or if the employee elects, starting as early as age 55 reduced 3% per year for each year prior to 65 that is between 60 and 65, and 5% per year for each year between 55 and 60.

Schedule SB Attachment (Form 5500)—2016 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

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

Plan Changes Since the Prior Year

There were no plan changes since the prior year's valuation.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Smith International, Inc. Restated Pension Plan

Schedule H (Form 5500), Part IV, Line 4i-Schedule of Assets (Held at End of Year)
 EIN/PN: 95-3822631/012

(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
Short-term Investment Fund:				
	Goldman Sachs	Goldman Sachs FS Government Fund	\$ 501,719	\$ 501,719
Total Assets Held			\$ 501,719	\$ 501,719

Schedule SB Attachment (Form 5500)—2016 Plan Year
Smith International, Inc. Restated Pension Plan
EIN: 95-3822631 PN: 012

Schedule SB, line 32—Schedule of Amortization Bases

Since the value of plan assets less the prefunding balance is greater than the funding target, the plan is exempt from creating a new shortfall amortization base in 2016.