

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

FORM 8-K

CURRENT REPORT

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

DATE OF REPORT (Date of earliest event reported): June 1, 2020

Valaris plc

(Exact name of registrant as specified in its charter)

**England and Wales
(State or other jurisdiction of incorporation)**

**1-8097
(Commission File Number)**

**98-0635229
(I.R.S. Employer Identification No.)**

**110 Cannon Street
London, England EC4N6EU
(Address of Principal Executive Offices and Zip Code)**

Registrant's telephone number, including area code: 44 (0) 20 7659 4660

**Not Applicable
(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Ticker Symbol(s)	Name of each exchange on which registered
Class A ordinary shares, U.S. \$0.40 par value	VAL	New York Stock Exchange
4.70% Senior Notes due 2021	VAL21	New York Stock Exchange
4.50% Senior Notes due 2024	VAL24	New York Stock Exchange
8.00% Senior Notes due 2024	VAL24A	New York Stock Exchange
5.20% Senior Notes due 2025	VAL25A	New York Stock Exchange
7.75% Senior Notes due 2026	VAL26	New York Stock Exchange
5.75% Senior Notes due 2044	VAL44	New York Stock Exchange
4.875% Senior Note due 2022	VAL/22	New York Stock Exchange
4.75% Senior Note due 2024	VAL/24	New York Stock Exchange
7.375% Senior Note due 2025	VAL/25	New York Stock Exchange
5.4% Senior Note due 2042	VAL/42	New York Stock Exchange
5.85% Senior Note due 2044	VAL/44	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined by Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement

On June 1, 2020, Valaris plc (the “Company”), certain lenders party thereto, Citibank, N.A., as administrative agent (the “Agent”) and the other parties thereto, entered into a Waiver (the “Waiver”) under the Company’s revolving credit facility to waive any resulting default or event of default attributed to any failure by the Company or any of its subsidiaries to make all or any part of their required interest payments (the “Interest Payments”) due (i) on June 1, 2020 with respect to the Company’s 4.875% Senior Notes due 2022 (the “2022 Notes”) and 5.40% Senior Notes due 2042 (“2042 Notes” together with the 2022 Notes the “Notes”) and (ii) on June 15, 2020 with respect to the Company’s 7.375% Senior Notes due 2025.

The Waiver will terminate if at any time the obligations under all or a portion of the Notes are accelerated in accordance with the terms of the Notes. The Waiver includes customary representations and does not limit, impair or constitute a waiver of the rights and remedies of the lenders or the Agent, and except as expressly provided in the Waiver, does not amend or affect the terms of the revolving credit facility.

The foregoing description of the Waiver is only a summary of the material terms, does not purport to be complete, and is qualified in its entirety by reference to the Waiver, which is filed herewith as Exhibit 10.1 and incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure

At this time, the Company has elected not to make the approximately \$15.1 million interest payment due and payable on June 1, 2020 with respect to its 2022 Notes and the approximately \$10.8 million interest payment due and payable on June 1, 2020 with respect to its 2042 Notes. Under the indentures governing the Notes, the Company has a 30-day grace period to make the Interest Payments before such non-payment constitutes an “event of default” with respect to the Notes. The Company has elected to enter into the 30-day grace period, which expires on July 1, 2020. As of May 29, 2020, the Company had approximately \$238 million in cash, in addition to available borrowing capacity under its revolving credit facility. The Company continues to have discussions with its lenders and bondholders regarding the terms of a potential comprehensive restructuring of its indebtedness.

The information in this Current Report on Form 8-K is being “furnished” pursuant to Item 7.01 and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and is not incorporated by reference into any Company filing, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Forward-Looking Statements

Statements contained in this Current Report on Form 8-K that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. Forward-looking statements include words or phrases such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “project,” “could,” “may,” “might,” “should,” “will” and similar words. Such statements are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including the potential outcome of the Company’s evaluation of strategic alternatives and the Company’s debt levels, liquidity and ability to access financing sources, and debt restrictions that may limit our liquidity and flexibility. In addition to the numerous factors described above, you should also carefully read and consider “Item

1A. Risk Factors” in Part I and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II of our most recent annual report on Form 10-K, as updated in our subsequent quarterly reports on Form 10-Q, which are available on the Securities and Exchange Commission’s website at www.sec.gov or on the Investor Relations section of our website at www.valaris.com. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

Item 9.01 Financial Statements and Exhibits

Exhibit No.	Description
10.1	<u>Waiver to Fourth Amended and Restated Credit Agreement dated as of June 1, 2020</u>
104	Cover Page Interactive Data File

SIGNATURE

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

Date: June 1, 2020

Valaris plc

/s/ Michael T. McGuinty
Michael T. McGuinty
Senior Vice President and General Counsel

WAIVER TO FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

This WAIVER TO FOURTH AMENDED AND RESTATED CREDIT AGREEMENT (this “Waiver”), is dated as of June 1, 2020, by and among Valaris plc, an English public limited company (the “Parent”), Pride International LLC, a Delaware limited liability company and indirect wholly-owned Subsidiary of the Parent (collectively, the “Borrowers”), the Guarantors, the Banks and Issuing Banks listed on the signature pages hereto (the “Required Banks”) (which in each case herein, constitute the “Majority Banks” under the Credit Agreement (as defined below)) and Citibank, N.A., as administrative agent (the “Administrative Agent”).

PRELIMINARY STATEMENTS:

WHEREAS, the Borrowers, the Banks, the Administrative Agent and the Issuing Banks are parties to that certain Fourth Amended and Restated Credit Agreement dated as of May 7, 2013 (as amended by the First Amendment dated as of September 30, 2014, the Second Amendment dated as of March 9, 2015, the Third Amendment dated as of July 1, 2016, the Extension Agreement dated as of October 4, 2016, the Fourth Amendment dated as of December 15, 2016, the Commitment Agreement and Fifth Amendment dated as of October 3, 2017 and effective as of October 6, 2017, and the Commitment Increase Agreement and Sixth Amendment to Fourth Amended and Restated Credit Agreement and as the same may be further amended, restated, increased and extended, the “Credit Agreement”).

WHEREAS, the Borrowers have advised the Required Banks that the Parent and/or one or more of its Subsidiaries, as applicable, have failed or may fail to make all or any part of their required interest payments due on (i) June 1, 2020, with respect to the Parent’s 4.875% Senior Notes due 2022 (the “2022 Notes”) and 5.40% Senior Notes due 2042 (“2042 Notes”) and (ii) on June 15, 2020, with respect to the Parent’s 7.375% Senior Notes due 2025 (the “2025 Notes” and, together with the 2022 Notes and 2042 Notes, the “Notes”). Pursuant to the Credit Agreement, any of the Parent’s or one or more of its Subsidiaries’ failure to make such required interest payments in respect of the Notes results in the existence of a Default under the Credit Agreement and, after giving effect to the applicable grace period afforded under the Notes, results in an Event of Default pursuant to Section 7.01(e) of the Credit Agreement (such Defaults and Events of Default heretofore described, the “Specified Notes Defaults”).

WHEREAS, the Borrowers have requested that the Required Banks waive (a) the Specified Notes Defaults; (b) any misrepresentation that might arise under Section 4.11 of the Credit Agreement solely as a result of the failure of the Parent to pay interest when due in connection with the Specified Notes Defaults; and (c) any requirement to provide notice of the occurrences described in clauses (a) and (b) (clauses (a), (b) and (c), together, the “Specified Defaults”) and the Administrative Agent and the Required Banks have agreed to do so subject to the terms and conditions of this Waiver.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Unless otherwise specifically defined herein, each term used herein (including in the recitals above) that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement.

Section 2. Waiver.

Effective as of the Waiver Effective Date (as defined below), subject to the terms and conditions of this Waiver and in reliance upon the representations and warranties of the Loan Parties set forth in Section 4 below, the Required Banks hereby waive the Specified Defaults (provided, that the foregoing waiver shall only be effective as to any such Specified Defaults for so long as the applicable series of Notes with respect to such Specified Defaults has not been accelerated by the holders thereof in accordance with the terms thereof). This is a limited, one-time waiver and, except as expressly set forth herein, shall not be deemed to: (x) constitute a waiver of any other Default, Event of Default or any other breach of the Credit Agreement or any of the other Loan Documents, whether now existing or hereafter arising, (y) constitute a waiver of any right or remedy of any of the Administrative Agent, Banks or Issuing Banks under the Loan Documents which does not arise as a result of the Specified Defaults (all such rights and remedies being expressly reserved by the Administrative Agent, Banks and Issuing Banks) or (z) establish a custom or course of dealing or conduct between the Administrative Agent, Banks and Issuing Banks, on the one hand, and the Borrowers, the Guarantors or any other Loan Party on the other hand. The foregoing waiver shall not be deemed to constitute a consent of any other act, omission or any breach of the Credit Agreement or any of the other Loan Documents.

Section 3. Reaffirmation of Guaranty. Each Guarantor hereby ratifies, confirms, acknowledges and agrees that its Obligations under the Guaranty to which it is a party are in full force and effect and that such Guarantor continues to unconditionally and irrevocably guarantee the full and punctual payment, when due, whether at stated maturity or earlier by acceleration or otherwise, all of the Obligations in accordance with the terms of such Guaranty and its execution and delivery of this Waiver does not indicate or establish an approval or consent requirement by such Guarantor under such Guaranty in connection with the execution and delivery of amendments, consents or waivers to the Credit Agreement, the Notes or any of the other Loan Documents.

Section 4. Representations True; No Default. Each of the Loan Parties represents that:

(a) this Waiver has been duly authorized, executed and delivered on its behalf, and the Credit Agreement and the other Loan Documents to which it is a party, constitute the legal, valid and binding obligations of such Loan Party, enforceable against such Loan Party in accordance with their terms, except as such enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar law affecting creditors' rights generally and by general principles of equity;

(b) after giving effect to this Waiver, the representations and warranties of such Loan Party contained in Article IV of the Credit Agreement and in the other Loan Documents to which it is a party are true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof (other than (i) those representations and warranties that expressly relate to a specific earlier date, which representations and warranties were true and correct in all material respects as of such earlier date and (ii) those representations and warranties that are by their terms subject to a materiality qualifier, which representations and warranties are true and correct in all respects); and

(c) after giving effect to this Waiver, no Default or Event of Default under the Credit Agreement has occurred and is continuing.

Section 5. Signing. The date that each of the conditions precedent set forth in this Section 5 is satisfied shall be the "Signing Date" as such term is used in this Waiver:

(a) the Administrative Agent (or its counsel) shall have received counterparts of this Waiver duly and validly executed and delivered by duly authorized officers of:

- (i) each Loan Party;
- (ii) the Administrative Agent; and
- (iii) the Required Banks;

(b) after giving effect to this Waiver, the representations and warranties of such Loan Party contained in Article IV of the Credit Agreement and in the other Loan Documents to which it is a party shall be true and correct in all material respects on and as of the date hereof as though made on and as of the date hereof (other than (i) those representations and warranties that expressly relate to a specific earlier date, which representations and warranties shall be true and correct in all material respects as of such earlier date and (ii) those representations and warranties that are by their terms subject to a materiality qualifier, which representations and warranties shall be true and correct in all respects);

(c) after giving effect to this Waiver, no Event of Default under the Credit Agreement shall have occurred and be continuing; and

(d) the Borrowers shall have paid all reasonable and documented fees and out-of-pocket expenses of counsel and advisors for the Administrative Agent which are payable pursuant to Section 9.04 of the Credit Agreement, to the extent invoiced at least one Business Day prior to the Signing Date.

Section 6. Effectiveness. This Waiver shall become effective as of the first date (the “Waiver Effective Date”) upon which the Signing Date shall have occurred.

Section 7. Miscellaneous Provisions.

(a) From and after the execution, delivery, and effectiveness of this Waiver as set forth in Sections 5 and 6 above, the Credit Agreement shall continue in full force and effect. Each Loan Party hereby agrees and acknowledges that the Administrative Agent, the Issuing Banks, and the Banks require and will require strict performance by such Loan Party of all of its respective obligations, agreements and covenants contained in the Credit Agreement, and the other Loan Documents to which it is a party (including any action or circumstance which is prohibited or limited during the existence of a Default or Event of Default), and no inaction or action by the Administrative Agent, any Issuing Bank, or any Bank regarding any Default or Event of Default is intended to be or shall be a waiver thereof (other than as set forth herein). Each Loan Party hereby also agrees and acknowledges that no course of dealing and no delay in exercising any right, power, or remedy conferred to the Administrative Agent, any Issuing Bank, or any Bank in the Credit Agreement or in any other Loan Documents or now or hereafter existing at law, in equity, by statute, or otherwise shall operate as a waiver of (other than as set forth herein) or otherwise prejudice any such right, power, or remedy.

(b) The Administrative Agent, the Issuing Banks, and the Banks hereby expressly reserve all of their rights, remedies, and claims under the Loan Documents. Nothing in this Waiver shall constitute a waiver (other than as set forth herein) or relinquishment of (i) any Default or Event of Default under any of the Loan Documents, (ii) any of the agreements, terms or conditions contained in any of the Loan Documents, (iii) any rights or remedies of the Administrative Agent, any Issuing Bank, or any Bank

with respect to the Loan Documents, or (iv) the rights of the Administrative Agent, any Issuing Bank, or any Bank to collect the full amounts owing to them under the Loan Documents.

(c) The Credit Agreement and this Waiver shall be read and construed as one and the same instrument; provided that no provision of this Waiver may be waived or modified without the consent of all the parties hereto.

(d) Any reference in any of the Loan Documents to the Credit Agreement shall be a reference to the Credit Agreement as modified by this Waiver.

(e) This Waiver is a Loan Document for purposes of the provisions of the other Loan Documents. Without limiting the foregoing, any breach of the representations, warranties, and covenants under this Waiver may be a Default or an Event of Default under the Loan Documents.

(f) This Waiver shall be construed in accordance with and governed by the laws of the State of New York.

(g) This Waiver may be signed in any number of counterparts and by different parties in separate counterparts and may be in original or facsimile form, each of which shall be deemed an original but all of which together constitute one and the same instrument. The words “executed,” “execution,” “signed,” “signature” and words of like import in this Waiver shall be deemed to include electronic signatures or the keeping of electronic records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(h) The headings herein shall be accorded no significant in interpreting this Waiver.

Section 8. Binding Effect. This Waiver shall be binding upon and inure to the benefit of the Loan Parties, the Banks, the Issuing Banks and the Administrative Agent and their respective successors and assigns, except that the Loan Parties shall not have the right to assign their rights hereunder or any interest herein.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Waiver to be duly executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWERS:

VALARIS PLC

By: /s/ Darin Gibbins

Name : Darin Gibbins

Title : An Authorized Signatory

PRIDE INTERNATIONAL LLC

/s/ Derek Sample

Name : Derek Sample

Title : An Authorized Signatory

GUARANTORS:

ENSCO JERSEY FINANCE LIMITED

By: /s/ Jonathan P. Cross

Name : Jonathan P. Cross

Title : An Authorized Signatory

ALPHA ACHIEVER COMPANY

ENSCO OCEAN 2 COMPANY

ENSCO OFFSHORE INTERNATIONAL COMPANY

ENSCO OVERSEAS LIMITED

ENSCO MANAGEMENT CORP.

PRIDE GLOBAL II LTD.

By: /s/ Derek Sangster

Name : Derek A. Sangster

Title : An Authorized Signatory

ENSCO GLOBAL GMBH
ENSCO INTERCONTINENTAL GMBH
ENSCO WORLDWIDE GMBH

By: /s/ Derek Sangster

Name : Derek A. Sangster

Title : An Authorized Signatory

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

ROWAN OFFSHORE LUXEMBOURG S.A.R.L.
ROWAN RIGS S.A.R.L.

By: /s/ Derek Sangster

Name : Derek A. Sangster

Title : An Authorized Signatory

ADMINISTRATIVE AGENT:

CITIBANK, N.A., as Administrative Agent

By: /s/ Derrick Lenz

Name : Derrick Lenz

Title : Vice President

REQUIRED BANKS:

CITIBANK, N.A., as a Bank and an Issuing Bank

By: /s/ Derrick Lenz

Name : Derrick Lenz

Title : Vice President

Bank of America, N.A., as a Bank

By: /s/ C. Mark Hedrick

Name : C. Mark Hedrick

Title : Managing Director

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

BARCLAYS BANK, N.A., as a Bank

By: /s/ Sydney G. Dennis

Name : Sydney G. Dennis

Title : Director

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

BNB PARIBAS, as a Bank

By: /s/ Sriram Chandrasekaran

Name : Sriram Chandrasekaran

Title : Director

By: /s/ Amy Kirschner

Name: Amy Kirschner

Title : Managing Director

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

CITICORP NORTH AMERICA, INC., as a Bank

By: /s/ Allister Chan

Name : Allister Chan

Title : Vice President

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

DEUTSCHE BANK AG NEW YORK BRANCH, as a Bank
and an Issuing Bank

By: /s/ Annie Chung
Name : Annie Chung
Title : Director

By: /s/ Ming K. Chu
Name: Ming K. Chu
Title : Director

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

DNB Capital LLC, as a Bank

By: /s/ Samantha Stone

Name : Samantha Stone

Title : Vice President

By: /s/ Mita Zalavadia

Name: Mita Zalavadia

Title : Assistant Vice President

DNB Bank ASA, New York Branch, as an Issuing Bank

By: /s/ Samantha Stone

Name : Samantha Stone

Title : Vice President

By: /s/ Mita Zalavadia

Name: Mita Zalavadia

Title : Assistant Vice President

HSBC Bank USA, NA, as a Bank and an Issuing Bank

By: /s/ Temesgen Haile

Name : Temesgen Haile

Title : Vice President

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)

Morgan Stanley Senior Funding, Inc., as a Bank

By: /s/ Kevin J. Newman

Name : Kevin Newman

Title : Vice President

Signature Page to Waiver to Fourth Amended and Restated Credit Agreement (Valaris)