

TRANSOCEAN INC.

EXECUTIVE COMPENSATION COMMITTEE CHARTER

Purpose

The Executive Compensation Committee (the "Committee") is appointed by the Board to assist the Board in (1) developing a fair compensation program for executives and (2) complying with the Board's legal and regulatory requirements as to executive compensation.

Committee Membership

The Executive Compensation Committee shall consist of no fewer than three members. The members of the Committee shall meet any independence and experience requirements of the New York Stock Exchange, Rule 16b-3 of the Commission and Section 162(m) of the Internal Revenue Code.

The members of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance Committee. Committee members may be replaced only by the Board.

Meetings

The Committee shall meet as often as it determines in order to meet its responsibilities.

Committee Authority and Responsibilities

The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors, including any compensation consultant, used to assist it in the evaluation of CEO or executive officer compensation. The Committee shall have the sole authority to approve the fees and other retention terms for any advisors employed by the Committee, and the Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultant or advisor employed by the Committee. Any such compensation consultant or such advisor shall report directly to the Committee.

The Committee shall make regular reports to the Board. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, provided that decisions of such

subcommittee shall be presented to the full Committee at its next scheduled meeting.

The Committee shall annually review the Committee's own performance.

The Committee shall as appropriate:

1. Review annually and approve the compensation paid to executive officers of the Company;
2. Annually establish performance goals and objectives for the Company's CEO and annually review the CEO's performance in light of the goals and objectives which were established and set the CEO's compensation based on this evaluation. All independent directors should participate in the annual review and the Chairman of the Executive Compensation Committee shall preside over the evaluation and communicate the evaluation to the CEO;
3. Administer (including the designation of eligible employees) the Company's Long-Term Incentive Plan, Performance Award and Cash Bonus Plan, Deferred Compensation Plan, and any other executive compensation plan or arrangement providing for benefits to executive officers of the Company (now existing or which may be adopted) in accordance with the goals and objectives of the Company established by the Board of Directors, the terms of the plans, any rules and regulations thereunder, and to delegate all or a portion of its powers and responsibilities with respect to such plans to one or more management committees of the Company or its subsidiaries; provided that the Committee shall retain all power and responsibility with respect to awards granted to all executive officers of the Company;
4. Consider and make recommendations to the Board concerning the existing executive compensation plans and the adoption of new plans or programs;
5. Consider and recommend to the Board the terms of any contractual agreements and other similar arrangements that may be entered into with officers of the Company and of its subsidiaries; provided, however, that the Committee shall not recommend and the Board shall not authorize "single-trigger" change of control agreements for any officer of the company.
6. Prepare the report on executive compensation required by the rules of the Securities and Exchange Commission (the "Commission") to be included in the Company's annual proxy statement.