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

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**FORM S-1  
REGISTRATION STATEMENT**  
*UNDER  
THE SECURITIES ACT OF 1933*

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**Kodiak Gas Services, Inc.**  
(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**4922**  
(Primary Standard Industrial  
Classification Code Number)  
**15320 Highway 105 W, Suite 210**  
**Montgomery, Texas 77356**  
**(936) 539-3300**

**83-3013440**  
(IRS Employer  
Identification No.)

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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**Robert M. McKee**  
**President and Chief Executive Officer**  
**15320 Highway 105 W, Suite 210**  
**Montgomery, Texas 77356**  
**(936) 539-3300**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer                       Accelerated filer                       Non-accelerated filer                       Smaller reporting company   
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 7(a)(2)(B) of the Securities Act.

**The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion. Dated \_\_\_\_\_, 2023.

Shares



**Kodiak Gas Services, Inc.**

**Common Stock**

This is an initial public offering of shares of common stock of Kodiak Gas Services, Inc. All of the \_\_\_\_\_ shares of common stock are being sold by us.

Prior to this offering, there has been no public market for our common stock. It is currently expected that the initial public offering price per share will be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_. We intend to list our common stock on the New York Stock Exchange (“NYSE”) under the symbol “KGS.”

We are an “emerging growth company” as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, we have elected to take advantage of certain reduced public company reporting requirements for this prospectus and future filings. See “Risk Factors” and “Prospectus Summary—Emerging Growth Company.”

After the completion of this offering, an investment fund advised by an affiliate of EQT AB will beneficially own approximately \_\_\_\_\_ % of our outstanding common stock (or \_\_\_\_\_ % if the underwriters exercise in full their option to purchase additional shares of common stock). As a result, we will be a “controlled company” within the meaning of the rules of the NYSE; however, we do not currently intend to rely on any exemptions from the corporate governance requirements of the NYSE available to “controlled companies.” See “Management—Controlled Company Status.”

See “Risk Factors” beginning on page 27 to read about factors you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission (“SEC”) nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per share	Total
Initial public offering price	\$ _____	\$ _____
Underwriting discount and commissions(1)	\$ _____	\$ _____
Proceeds, before expenses, to us	\$ _____	\$ _____

(1) See “Underwriting” for additional information regarding underwriting compensation.

To the extent that the underwriters sell more than \_\_\_\_\_ shares of common stock, the underwriters have the option, for a period of 30 days, to purchase up to an additional \_\_\_\_\_ shares from us at the initial price to the public less the underwriting discount and commissions.

The underwriters expect to deliver the shares of common stock against payment on or about \_\_\_\_\_.

**Goldman Sachs & Co. LLC**

**J.P. Morgan**

**Barclays**

**BofA Securities**

**Raymond James**

**RBC Capital Markets**

**Stifel**

**Truist Securities**

**TPH&Co.**

**Comerica Securities**

**Fifth Third Securities**

**Regions Securities LLC**

**Texas Capital Securities**

**AmeriVet Securities**

**Guzman & Company**

**R. Seelaus & Co., LLC**

**Siebert Williams Shank**

Prospectus dated \_\_\_\_\_, 2023



**99%**

5-year average  
fleet utilization

**>99.5%**

Mechanical availability  
historical average

**1,037**

Dec. 2022 average  
revenue generating HP/unit

**81%**

Fleet over  
1,000 HP

**96%**

Fleet is low  
emissions capable

**42%**

Diverse  
workforce

*We are a leading operator of contract  
compression infrastructure in the United States*

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Neither we nor the underwriters have authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we and the underwriters have prepared. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where such offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

This prospectus contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control. See “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.”

Through and including (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This requirement is in addition to a dealer’s obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

**Commonly Used Defined Terms**

As used in this prospectus, unless the context indicates or otherwise requires, the terms listed below have the following meanings:

- “ABL Credit Agreement” means that certain Fourth Amended and Restated Credit Agreement, dated as of March 22, 2023, among Frontier Intermediate Holding, LLC, Kodiak Gas Services, LLC, the other obligors party thereto, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent;

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- “ABL Facility” means our senior secured asset-based revolving credit facility provided under and governed by the ABL Credit Agreement;
- “Company” means Kodiak Gas Services, Inc. and its consolidated subsidiaries;
- “EQT” or “EQT AB Group” means, as the context may require, EQT AB or EQT AB and its direct and indirect subsidiaries including, for the avoidance of doubt, investment vehicles managed and/or operated by affiliates of EQT AB and their respective portfolio companies;
- “EQT AB” means EQT AB (publ), a Swedish public limited liability company registered with the Swedish Companies Registration Office (Reg. No. 556849-4180) and whose ordinary shares are listed on Nasdaq Stockholm stock exchange;
- “Holdco Term Loan” means the Term Loan after the consummation of the Term Loan Transaction as described below;
- “Kodiak Holdings” means Frontier TopCo Partnership, L.P., an affiliate of EQT AB and holder of record of Kodiak Gas Services, Inc. common stock;
- “Term Loan” means the term loan facility governed by the Term Loan Credit Agreement;
- “Term Loan Credit Agreement” means that certain Amended and Restated Credit Agreement, dated as of May 19, 2022, as amended by that certain First Amendment, dated March 31, 2023, among Kodiak Gas Services, LLC, Frontier Intermediate Holding, LLC, Wells Fargo Bank, N.A. as Administrative Agent, and the lenders party thereto; and
- “Term Loan Transaction” means the assumption of all of the Company’s and its subsidiaries’ remaining obligations under the Term Loan (after the application of the proceeds of this offering as described in “Use of Proceeds”) by a parent entity of Kodiak Holdings, and pursuant to which the Company’s obligations thereunder will be terminated. Following the consummation of the Term Loan Transaction, the Company will no longer be a borrower or guarantor under, nor otherwise be obligated with respect to the debt outstanding under the Term Loan.

### **Presentation of Information**

Unless otherwise indicated, information presented in this prospectus (i) assumes that the underwriters’ option to purchase additional common stock is not exercised, (ii) assumes that the initial public offering price of the shares of our common stock will be \$ \_\_\_\_\_ per share (which is the midpoint of the estimated price range set forth on the cover page of this prospectus) and (iii) assumes the filing and effectiveness of the Amended and Restated Certificate of Incorporation (our “charter”) and the Amended and Restated Bylaws (our “bylaws”), both of which will be adopted immediately prior to the consummation of this offering. See “Description of Capital Stock” for a description of our charter and bylaws.

### **Industry and Market Data**

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, government publications or other published independent sources. These sources include the United States Energy Information Administration (“EIA”) and the International Energy Agency. Information referred to herein from the EIA is based on the EIA’s Annual Energy Outlook 2023, released on March 16, 2023. Information referred to herein from the International Energy Agency is based on its 2022 World Energy Outlook, dated November 2022. Although we believe these third-party sources are reliable as of their respective dates, neither we nor the underwriters have independently verified the accuracy or completeness of this information. Some data is also based on our good faith estimates and our management’s understanding of industry conditions. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section entitled “Risk Factors.” These and other factors could cause results to differ materially from those expressed in these publications.

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**Trademarks and Trade Names**

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this prospectus is not intended to, and does not imply, a relationship with us or an endorsement or sponsorship by or of us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names.

## PROSPECTUS SUMMARY

*This summary provides a brief overview of information contained elsewhere in this prospectus. Because it is abbreviated, this summary does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus carefully before making an investment decision, including the information presented under the headings “Risk Factors,” “Cautionary Note Regarding Forward-Looking Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the historical consolidated financial statements and related notes thereto included elsewhere in this prospectus.*

### Company Overview

We are a leading operator of contract compression infrastructure in the United States (“U.S.”). Our compression operations are critical to our customers’ ability to reliably produce natural gas and oil to support growing global energy demand. We are a market leader in the Permian Basin, which is the largest producing natural gas and oil basin in the U.S. We operate our large horsepower compression units under stable, fixed-revenue contracts with blue-chip upstream and midstream customers. Our compression assets have long useful lives consistent with the expected production lives of the key regions where we operate. We believe our partnership-focused business model positions us as the preferred contract compression operator for our customers and creates long-standing relationships. We strategically invest in the training, development, and retention of our highly skilled and dedicated employees and believe their expertise and commitment to excellence enhances and differentiates our business model. Furthermore, we maintain an intense focus on being one of the most sustainable and responsible operators of contract compression infrastructure.

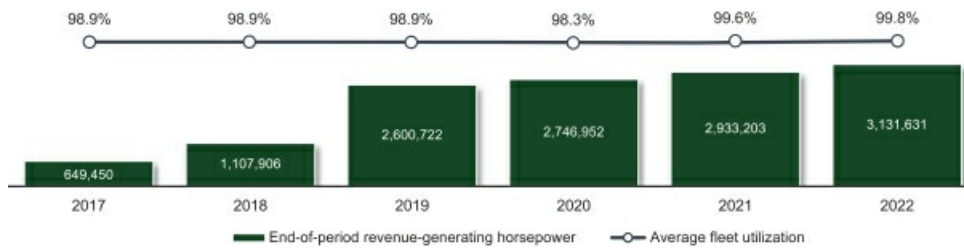
Eighty-four percent of our compression assets are strategically deployed in the Permian Basin and Eagle Ford Shale, which the EIA expects to maintain significant production volumes through at least 2050. We believe these two regions have the largest and lowest-cost unconventional resources in the U.S. Additionally, there are significant liquefied natural gas (“LNG”) export projects in development, and overall LNG capacity is expected to meaningfully grow over the next decade. We expect this to translate into Permian Basin and Eagle Ford Shale natural gas production growth, requiring substantial additional compression horsepower. We believe these regions will play an increasingly important role in global energy security as the world continues to require reliable and growing natural gas and oil production to support increasing global energy demand.

We are a leader in large horsepower compression, with approximately 81% of our approximately 3.1 million horsepower fleet comprised of compression units larger than 1,000 horsepower. Due to lower initial reservoir pressures, production from unconventional resources, such as the Permian Basin and Eagle Ford Shale, requires significantly more compression horsepower than from conventional production, which supports our large horsepower strategy. Additionally, increased demand for large horsepower infrastructure is driven by multi-well pad drilling, overall well density, and large-scale gathering systems. We believe large horsepower compression units serve more stable applications, receive longer initial contracts, are more likely to be renewed, and produce higher margins, ultimately generating recurring cash flow and return on invested capital.

We believe the quality of our relationships with blue-chip customers, the reliability of our compression operations and the structure of our contracts produce stable, recurring cash flow. We derive substantially all of our revenues from fixed-revenue contracts. Approximately 39% of our total revenues come from our four largest customers for the year ended December 31, 2022, which are all S&P 500 constituents and investment grade rated upstream and midstream companies in the Permian Basin. Our partnership-focused business model provides best-in-class reliability, which we believe is critical to securing and maintaining long-term relationships with our customers. Our assets and supporting operations have an industry-leading historical average mechanical availability (which measures the percentage of time in a given period that compression operations are being

provided or are capable of being provided) of over 99.5% since inception. The strength of our customer relationships and contract structures, combined with the reliability and critical nature of our assets, have resulted in a five-year 99% average fleet utilization (which measures the revenue-generating horsepower divided by our total fleet horsepower).

Below is a presentation of our average fleet utilization and our total revenue-generating horsepower since 2017:



Countries around the world are moving toward a lower carbon future while providing secure low-cost sources of energy for their citizens. Recent world events have resulted in renewed attention on environmentally responsible and secure energy production provided by the U.S., and we are committed to continuing to play a meaningful role in our industry. We are focused on being the most resilient and sustainable enterprise, and we have ambitious sustainability goals. We will continue to innovate processes and technologies to assist our customers in meeting their emission reduction goals, while striving to provide a safe, inclusive and supportive environment for our employees and the communities where we operate. Finally, we intend to do business with integrity and ethics and maintain a corporate governance structure that includes appropriate oversight and transparency in all aspects of our operations.

**Our Business Model**

Our business model is focused on large horsepower contract compression operations, which we believe is central to our customers’ efforts to meet the expected growing natural gas and oil demand from the Permian Basin and other regions in the U.S. Large horsepower compression operations allow us to enter into longer-term contracts that we believe are more predictable and stable for us and our customers. We believe our focus on customer service in top-tier regions, and the critical nature of our assets results in long-term customer relationships and financial stability for our business.

Our preventative and predictive maintenance and overhaul programs are designed to maximize mechanical availability and extend the useful lives of our assets over multiple decades. These programs allow us to contract all of our compression assets at rates that are comparable to our newest compression units. Our standardized fleet also enables streamlined and systematic training and on-site maintenance maximizing uptime for our customers. We are developing advanced systems to proactively analyze and monitor the operating conditions of our equipment, allowing for maximum uptime for our customers. Our maintenance culture is foundational to our partnership-focused business model and allows us to provide over 99.5% mechanical availability to our customers.

We believe that our customers will continue to outsource their compression infrastructure needs allowing them to limit their capital investments in compression equipment and increase their free cash flow or deploy capital on projects directly related to their core businesses. By outsourcing compression infrastructure, customers can efficiently address their changing compression requirements over time. Additionally, our customers benefit from the technical skills of our specialized personnel, and our focus on reliability and emissions reduction helps them advance their sustainability goals.



We manage our business through two operating segments: Compression Operations and Other Services. Compression Operations consists of operating company-owned and customer-owned compression infrastructure for our customers, pursuant to fixed-revenue contracts to enable the production, gathering and transportation of natural gas and oil. Other Services consists of a full range of contract services to support the needs of our customers, including station construction, maintenance and overhaul and other ancillary time and material based offerings. Our Other Services offerings are often cross-sold, bolstering cash flow generation with no associated capital expenditures.

We have a proven track record of steady growth, cash flow generation, strong financial results driven by increasing overall compression demand (particularly for large horsepower compression units), long-standing customer relationships, the fixed-revenue nature of our contracts and best-in-class reliability of our assets. From 2021 to 2022:

- Our revenue-generating horsepower increased by 7% from 2.9 million horsepower to 3.1 million horsepower;
- Our revenue increased by 17% from \$606.4 million to \$707.9 million; our net income decreased from \$181.0 million to \$106.3 million;
- Our Adjusted Gross Margin increased by 11% from \$396.2 million to \$440.6 million; and
- Our Adjusted EBITDA increased by 11% from \$361.0 million to \$399.0 million.

Additionally, on March 22, 2023, the aggregate commitments under our ABL Facility, which matures in March 2028, were upsized to \$2.2 billion. After the completion of this offering, we expect to have approximately \$400 million of total availability under the ABL Facility, subject to certain restrictions described herein which may reduce such amounts available. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Description of Indebtedness.”

Adjusted Gross Margin and Adjusted EBITDA are not financial measures calculated in accordance with GAAP, but we believe they provide important perspective regarding our operating results and cash flow. “—Non-GAAP Financial Measures” below contains a descriptions of Adjusted Gross Margin and Adjusted EBITDA and reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP.

**Our Assets**

As of December 31, 2022, our compression asset base consists of 3,021 revenue-generating compression units amounting to approximately 3.1 million horsepower of owned compression, with an average of 1,037 horsepower per revenue-generating compression unit. The average age of our fleet is 3.5 years and 85% of our compression fleet is less than five years old. Approximately 81% of our fleet is comprised of large horsepower compression units, aligning with the evolving industry demand. Large compression units enable multi-well pad development, reduce downtime, improve overall unit economics and provide lower emissions per horsepower relative to small horsepower compression units. Fleet standardization and continued geographic concentration allow us to lower cost of operations and improve margins through economies of scale.

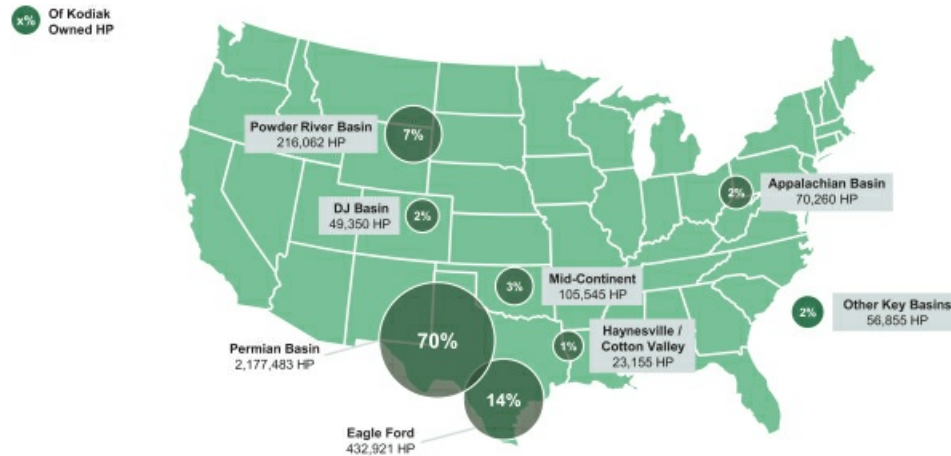
Below is a tabular overview of our fleet by horsepower as of December 31, 2022.

	<b>Fleet Horsepower</b>	<b>Percent of Horsepower</b>	<b>Horsepower Utilization (Period End)</b>
<b>Large horsepower</b>			
>1,000 horsepower	2,524,522	81%	99.9%
<b>Medium &amp; small horsepower</b>			
<1,000 horsepower	609,784	19%	99.9%
<b>Total</b>	3,134,306	100%	

We have standardized our fleet and operational processes, creating an effective and seamless fleet maintenance program, spare parts inventory and efficient and resilient supply chain. Additionally, our assets are designed to serve a wide variety of large horsepower applications, such as gathering, processing and transportation of natural gas and centralized gas lift of oil.

**Our Key Areas of Operation**

The following map illustrates our key areas of operation and corresponding revenue-generating horsepower:



HP = Revenue-generating horsepower

We strategically focus on deploying our compression assets in the most economic areas of leading onshore U.S. regions with the longest production horizons. We believe partnering with top-tier customers in regions with multi-decade resource life will support continued strong utilization and recontracting of our assets through industry and broader macroeconomic cycles.

Eighty-four percent of our compression assets are deployed in the Permian Basin and Eagle Ford Shale, which the EIA expects to maintain significant production volumes through at least 2050. Based on data from the EIA, these two regions represented 29% of U.S. Lower 48 natural gas production and 66% of U.S. Lower 48 oil production in 2022.

The Permian Basin and Eagle Ford Shale are connected through long-haul natural gas pipelines to the nearby U.S. Gulf Coast and are critical natural gas supply basins for the LNG export capacity expansion occurring in the region. In addition to the Permian Basin and Eagle Ford Shale, we have assets in the Powder River Basin, Mid-Continent Region, DJ Basin, Appalachian Basin, Barnett Shale / East Texas Region and Black Warrior Basin. Below is a table showing revenue-generating horsepower in our areas of operations as of December 31, 2022:

	<u>Revenue-Generating Horsepower</u>	<u>Percent of Horsepower</u>
Permian Basin	2,177,483	70%
Eagle Ford Shale	432,921	14%
Other Areas of Operation	521,227	16%
Total	3,131,631	100%

**Our Customers and Contracts**

We have developed long-term commercial relationships with premier upstream and midstream customers in our key areas of operations. We believe that alignment with our customers’ goals is a key differentiator to our business, and we have built a reputation backed by our leading mechanical availability to earn and strengthen customer loyalty. We believe mechanical availability is the key consideration for a customer in making its contract compression decisions. It is our priority to maintain over 99.5% mechanical availability in addition to providing uninterrupted “first-call” service for any and all downtime events across our fleet. This commitment to mechanical availability maximizes total customer operational uptime and revenue stability. We believe these factors make us the leading choice for our customers.

We have developed a systematic and selective customer evaluation methodology, based on key criteria including customers’ credit rating, size, and geological asset quality. Our four largest customers for the year ended December 31, 2022 are all S&P 500 constituents and investment grade rated upstream and midstream companies in the Permian Basin. Approximately 84% of initially contracted large horsepower for our top four customers is still in service with those customers today. The table below provides further information on our top four customers:

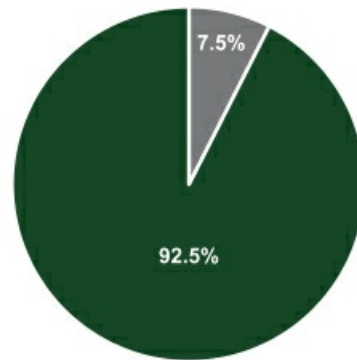
Top 4 Customer Overview				
Top 4 customers	Customer A	Customer B	Customer C	Customer D
Primary geography	Midland Basin	Delaware Basin	Delaware Basin	Delaware Basin
Credit rating (Moody’s / S&P)	Baa1/BBB	A3/A-	Baa2/BBB	Baa3/BBB-
HP CAGR since start of relationship	48%	57%	21%	54%
% of 2022 compression operations revenue	13%	11%	9%	6%
Length of relationship (years)	10	9	9	9

Our contracts are designed to provide us with predictable, stable, and recurring cash flows through industry and broader macroeconomic cycles. To maximize cash flow stability our contracts typically include:

- fixed-revenue structures similar to midstream take-or-pay contracts;
- annual built-in inflation adjustments;
- pre-billing structure for the following month’s service fees;
- primary contract terms of one to seven years in duration (with large horsepower compression units typically contracted for a primary term of three years); and
- provisions requiring customers to pay for all mobilization and demobilization costs, which can be significant.

### 2022 Period End Horsepower by Contract Structure

■ Avg. % Month to Month Contract      ■ Avg. % Term Contract



Additionally, because of our historically high mechanical availability and the multi-decade resource life in our key areas of operations, our contracts are typically renewed multiple times.

Our customer selection methodology and standardized contract structure have helped insulate our business from industry and broader macroeconomic cycles and have enabled us to drive better customer retention and increase our cash flow.

#### **Our Sustainability Leadership**

The energy industry is in a pivotal time as the world moves toward ambitious emissions reduction targets while maintaining affordable and reliable sources of energy. We maintain an intense focus on being one of the most sustainable and responsible operators of contract compression infrastructure. Furthermore, we strive to provide a safe, inclusive and supportive environment for the communities in which we live and the customers and employees with whom we work. We seek to continuously improve our operations, relationships with our stakeholders and ultimately maintain our position as a sustainable and responsible operator of contract compression infrastructure. We have a demonstrated track record of establishing programs and setting tangible targets to achieve initiatives for continuous improvement in each of these areas to create value for all of our stakeholders.

Ninety-six percent of our current fleet is capable of operating in the most stringent emissions regulatory environments in the U.S., which require emissions of 0.5g NOx or less. We also believe it is imperative that we continue to develop and implement innovative strategies and technologies that further reduce emissions intensity and improve the operational reliability of our business. Many of our upstream and midstream customers have significantly increased their commitments to reduce emissions and rely on us to help them achieve their reduction goals. We have also developed several technologies targeting additional emissions reductions including ecoView and other fugitive methane reduction solutions. EcoView is our proprietary emissions monitoring and leak detection system that we have deployed in the field. We expect to begin broad scale integration of ecoView across our large horsepower compression fleet during 2023.

Electric motor drive compression is also part of our long-term strategy to reduce emissions intensity across our fleet. We have begun deploying electric motor drive compression with select customers and have additional

assets that we will deploy in the near future under long-term fixed-revenue contracts. In addition, in select geographic areas where electric infrastructure exists, we assist our customers in building out their electric compression infrastructure.

Our people are vital to the success of our business. As a result, we have developed a robust safety culture that permeates all aspects of our business. Our comprehensive training program emphasizes safety, improving technical skills and professional development for employees across all functional areas. This program is further bolstered through a virtual training program currently in development to better prepare our employees to safely address situations in the field. Diversity and inclusion are paramount to our organization. We also require 100% compliance across our Company in diversity and inclusion training. Diversity is also important at our board level, where we expect 56% of our directors to identify as gender or ethnically diverse. We recently created the Kodiak Cares Foundation to support employees and charitable causes in the community. We are also committed to supporting veterans and do so through our recruiting and hiring efforts as well as supporting several causes that assist veterans and active-duty military.

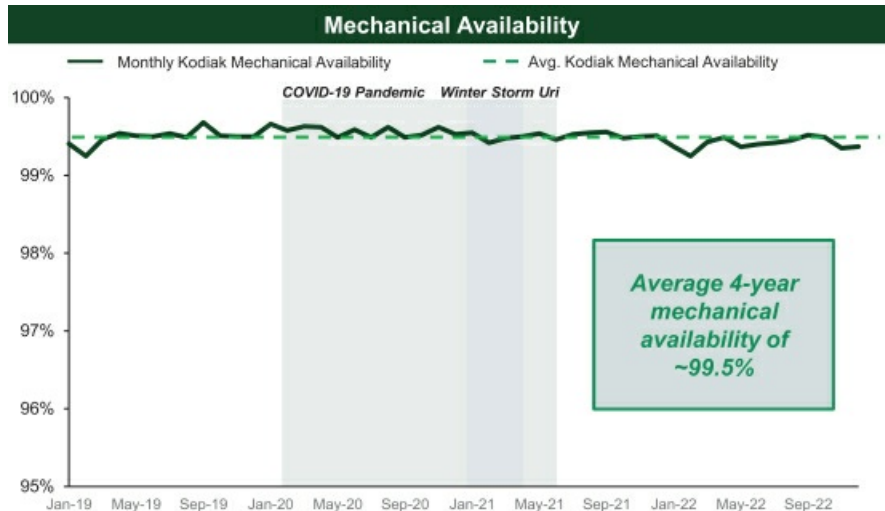
**Competitive Strengths**

We believe that the following strengths of our business differentiate us from our competitors, reinforce our leadership position and enable us to capitalize on expected demand growth for natural gas compression infrastructure:

***Premier, partnership-focused business model drives long-standing relationships with top-tier customers***

We believe that we have a premier, partnership-focused business model that has created long-term relationships with our customers who depend on our compression operations as a critical element of their core production infrastructure. We treat our customers as partners, helping them optimize their compression infrastructure and bolster their cash flows.

We seek to maximize uptime and revenue for our customers with a historical average mechanical availability of over 99.5%. We maintain 24/7/365 “first-call” service for all instances of downtime across all horsepower classes. We also employ a robust inventory management system to ensure that spare parts required for maintenance and repairs are readily available in close proximity to our fleet. Our operational excellence and partnership-focused business model create substantial value for customers who benefit from increased throughput allowing them to generate additional revenue.



Our customers are leading upstream and midstream companies operating in the top U.S. basins. As a testament to the quality of the relationships with our top four customers, approximately 84% of the large horsepower initially contracted with such customers remains under contract.

***Our critical natural gas infrastructure in the most prolific U.S. regions is optimally positioned to support natural gas and oil production to satisfy growing global energy demand***

We focus on strategically deploying our critical compression assets in leading onshore U.S. regions. We have 84% of our horsepower deployed in the Permian Basin and Eagle Ford Shale. We believe these two regions rank among the largest inventory unconventional resources in the U.S. and based on data from the EIA, represented 29% of U.S. Lower 48 natural gas production and 66% of U.S. Lower 48 oil production in 2022. As these resources continue to be developed, increases in well-density driven by multi-well pad drilling, will result in increased demand for large compression equipment, which aligns with our large horsepower strategy.

Our business supports growing global energy demand by facilitating production of natural gas and oil. The Permian Basin and Eagle Ford Shale are increasingly providing the world with a reliable and secure supply of low-cost natural gas. We believe that projected U.S. Gulf Coast LNG liquefaction capacity additions will require incremental natural gas produced from the Permian Basin and Eagle Ford Shale. Global LNG demand is expected to almost double from 380 million ton per annum (“MTPA”) in 2021 to approximately 700 MTPA by 2040. Increase in demand for U.S. LNG exports to Europe is likely to be driven by the need to backfill the disrupted supply of Russian natural gas.

***Purpose built, standardized large horsepower compression fleet that is critical to our customers’ operations***

We began deploying large horsepower compression units for centralized gas lift in the Permian Basin in 2013, which became the industry standard by 2016. We are an industry leader in large horsepower compression units with approximately 81% of our fleet in large horsepower compression units and an average of 1,037 horsepower per revenue-generating compression unit as of December 31, 2022. We believe our concentration of large horsepower compression units positions us to obtain longer contract tenor, extended time on location, greater renewal success and higher margins per compression unit relative to smaller horsepower compression units.

We have built a standardized compression fleet designed to support our customers' needs, resulting in higher mechanical availability for our customers and lower maintenance costs for us. Our rigorous maintenance program enables our compression units of all ages to operate with similar efficiency and generate similar contract rates. This operational consistency enables us to generate stable revenues through the expected multi-decade operating life of a compression unit.

***Stability of our cash flow provides a strong financial profile supporting our return of capital and growth objectives***

We believe that our contract structure provides strong visibility and predictability of cash flows while insulating revenues from industry and broader macroeconomic cycles. Substantially all of our revenue is derived from fixed-revenue contracts that charge a flat monthly rate with annual built-in inflation adjustments, providing us with cash flow stability as well as downside protection. Our 5-year average fleet utilization of over 99% enabled our revenue stability.

Compression costs are a non-discretionary operating expense for our customers. Our business is essential to maintain natural gas and oil production and is insulated from commodity price fluctuations or drilling and completion activities, which enabled us to grow revenue and earnings during the COVID-19 pandemic. The versatility of our units to support a variety of applications further enhances the stability of cash flows. Once our compression units are installed on customers' locations, prolonged production disruptions and significant mobilization and demobilization costs, typically borne by our customers, would be required to displace our compression units.

Our disciplined approach to deploying capital with a proven track record of achieving high returns has enabled our significant growth. We order compression units when we have a customer commitment in place. Additionally, our business model benefits from growth capital spending flexibility, which allows us to rapidly increase or decrease spending as industry conditions warrant. This flexibility was evident during the COVID-19 pandemic when we reduced equipment orders and utilized a portion of our additional cash flow to repay outstanding debt. This reduction in growth capital spending was approximately \$134 million, representing a 44% reduction to our start of the year budget. Our average utilization for 2020 was 98%.

***Differentiated sustainability practices are core to our business model***

We see the opportunity to continue to lead our industry in sustainability practices with a keen focus on doing our part to safeguard the environment, positively impact society, and maintain integrity and high governance standards.

We have a low emission compression fleet, with 96% capable of operating in the most stringent emissions regulatory environments in the U.S., which require emissions of 0.5g NOx or less, aligning us with our customers' emissions reduction initiatives. Furthermore, we are deploying large horsepower electric motor drive compression, reducing our emissions intensity across our fleet. Our experience of deploying electric units and working with our customers in building the infrastructure required to power electric compression has allowed us to develop expertise in electric compression construction and operations.

Our strong sustainability commitment also focuses on social and governance aspects. Our employees and the communities that we serve are central to what we do. We have implemented a variety of initiatives to support our people and deliver better service to our customers. Diversity and inclusion is paramount to a successful organization. We have a 42% gender or ethnically diverse workforce, and we require 100% compliance across our company in diversity and inclusion training. Diversity is also important at our board level, where we expect 56% of our directors to identify as gender or ethnically diverse. We have implemented robust required safety

training programs that have resulted in a leading safety record, developed virtual training programs to better prepare our employees for situations in the field, and offer various mentorship and technical training programs that grow our employees' skillsets.

***Founder-led, experienced team with a proven track record of value creation***

We are led by our founder and CEO, Robert M. ("Mickey") McKee, and an experienced management team with a proven track record of value creation. Management's extensive experience and strong leadership has resulted in a unique culture centered on entrepreneurship, responsibility, and a partnership-focused business model. We were founded and operate on the principle that our people, customers and vendors are the foundation of our success. Since our inception, this approach has contributed to significant growth, and we now have a compression fleet of 3.1 million horsepower.

**Business Strategies**

Our primary business objective is to maximize stockholder value, which we intend to do by pursuing disciplined growth while returning capital to our stockholders and maintaining strong financial and balance sheet flexibility. We intend to accomplish this objective by executing on the following business strategies:

***Generate a stable cash flow profile by focusing on fixed-revenue contracts in the lowest cost, largest inventory regions***

Our fixed-revenue contract structures with pre-billing of monthly fees further insulate our business from fluctuations in commodity prices and provides strong cash flow visibility. We target multi-year contracts with recurring contract renewals to take full advantage of the long-life inventory of our areas of operations.

Our strategic positioning in the Permian Basin and Eagle Ford Shale enables us to capitalize on the large and low-cost existing production base in two of the most critical U.S. natural gas and oil producing regions. We believe that continuing to deploy our assets in these multi-decade resource life regions will help us to maintain high asset utilization through industry and broader macroeconomic cycles and provide cash flow stability.

***Continue to focus on reliable and low-emission large horsepower compression infrastructure***

Our low-emission large horsepower compression infrastructure assets have an industry-leading historical average mechanical availability of over 99.5%. Our compression operations maximize uptime and consequently our customers' cash flows, while lower emissions assets support our Company's and our customers' sustainability goals.

The growing share of unconventional production in the U.S. will continue to support the need for compression, which requires more horsepower compared to that of conventional production. Additionally, as customers continue to shift to multi-well pad drilling, they will increasingly require centralized compression models, relying on large horsepower compression units for their natural gas gathering, processing and transportation and gas lift operations. We believe that our industry leading large horsepower fleet, with approximately 81% of our compression units larger than 1,000 horsepower, and our focus on reliability and low-emissions will allow us to benefit from growing demand for these types of assets.

***Pursue high return growth opportunities alongside our leading customer base***

We have grown our total revenue-generating horsepower since inception in 2011 to approximately 3.1 million horsepower while achieving industry leading fleet utilization and strong margins. We believe organic growth opportunities with existing and new customers in our current areas of operation will be a driver of long-term



value creation. Increasing well density and the trend toward unconventional resource development will drive the need for additional large horsepower. In addition to expanding our horsepower base, we can grow our revenue base by pursuing ancillary opportunities tailored to our customers' needs including station construction and third-party services. Additionally, our compression operations contracts include built-in inflation adjustments resulting in continued growth of our revenue base.

We actively seek to partner and grow with customers who have meaningful acreage positions in long-life and low-cost producing regions with significant infrastructure development needs. We collaborate with our customers to jointly develop long-term solutions designed to optimize their lifecycle compression costs, positioning us as their contract compression operator of choice.

***Return capital to our stockholders while maintaining a conservative balance sheet with flexibility to pursue growth objectives***

We believe that our resilient business model and the strength and flexibility of our balance sheet will support an attractive through-cycle dividend to our stockholders. We plan to maintain conservative balance sheet leverage. We intend to maintain a prudent financial policy which will enable us to maintain our commitment to capital returns while pursuing capital efficient growth projects.

Our business model focuses on growing our cash flow, which provides us flexibility to further enhance stockholder returns by growing our dividend, implementing share buybacks, or paying down debt.

Our disciplined approach to deploying capital with a proven track record of achieving high returns has enabled our significant growth. We typically only order compression units when we have a customer commitment in place.

***Invest in attracting, retaining, and developing world-class talent***

We believe the quality and relentless focus of our workforce is key to our success, and differentiates us from our competitors and positions us as a leader in the compression industry. We seek to attract and retain a diverse workforce with equal opportunities and prospects for advancement, which we believe is fundamental to our success. Furthermore, we have made a significant commitment to training our employees across relevant aspects of the business to ensure that they continue to excel in their roles.

Keeping our workforce, customers, vendors, and communities safe is paramount, and we strive to maintain an industry-leading safety record. Our strong organizational safety culture centers around open communication, regular training, and safety reviews, to ensure that our health and safety program is operating to achieve desired outcomes and remains compliant with all applicable laws, rules, and regulations as well as customer requirements.

**Emerging Growth Company**

We are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). For as long as we are an emerging growth company, unlike public companies that are not emerging growth companies under the JOBS Act, we will not be required to:

- provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");
- provide more than two years of audited financial statements and related management's discussion and analysis of financial condition and results of operations;

- comply with any new requirements adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;
- provide certain disclosures regarding executive compensation required of larger public companies or hold stockholder advisory votes on executive compensation required by the Dodd-Frank Wall Street Reform and Consumer Protection Act; or
- obtain stockholder approval of any golden parachute payments not previously approved.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the "Securities Act"), for adopting new or revised financial accounting standards. We intend to take advantage of all of the reduced reporting requirements and exemptions, including the longer phase-in periods for the adoption of new or revised financial accounting standards under Section 107 of the JOBS Act until we are no longer an emerging growth company. Our election to use the phase-in periods permitted by this election may make it difficult to compare our financial statements to those of non-emerging growth companies and other emerging growth companies that have opted out of the longer phase-in periods under Section 107 of the JOBS Act and who will comply with new or revised financial accounting standards. See "Risk Factors—Risks Related to this Offering and Owning Our Common Stock—Taking advantage of the reduced disclosure requirements applicable to 'emerging growth companies' may make our common stock less attractive to investors." If we were to subsequently elect instead to comply with these public company effective dates, such election would be irrevocable pursuant to Section 107 of the JOBS Act.

We will cease to be an emerging growth company upon the earliest of:

- the last day of the fiscal year in which we have \$1.235 billion or more in annual revenues;
- the date on which we become a "large accelerated filer" (the fiscal year-end on which the total market value of our common equity securities held by non-affiliates is \$700 million or more as of June 30);
- the date on which we issue more than \$1.0 billion of non-convertible debt securities over a three-year period; or
- the last day of the fiscal year following the fifth anniversary of our initial public offering.

#### **Summary of Risk Factors**

An investment in our common stock involves a high degree of risk. The occurrence of one or more of the events or circumstances described in the section titled "Risk Factors," alone or in combination with other events or circumstances, may materially adversely affect our business, financial condition and operating results. In that event, the trading price of our common stock could decline, and you could lose all or part of your investment. Such risks include, but are not limited to:

- A long-term reduction in the demand for natural gas or oil could adversely affect the demand for our services or the prices we charge for our services, which could result in a decrease in our revenues.
- The loss or deterioration of the financial condition of any of our key customers would result in a decrease in our revenues and could adversely affect our financial results.
- Nonperformance by our suppliers or vendors could impact our revenues, increase our expenses and otherwise have a negative impact on our ability to conduct our business, operating results and cash flows.

- We face significant competition that may cause us to lose market share.
- Our customers may choose to purchase and operate their own compression fleet, increase the number of compression units they currently own or use alternative technologies for enhancing oil production.
- After the primary term of our contracts, such contracts are cancellable on 30 to 90 days' notice. Any non-renewals, renewals at reduced rates or the loss of contracts with any significant customer could adversely impact our financial results.
- The majority of our operations are located in the Permian Basin and Eagle Ford Shale, making us vulnerable to risks associated with operating in limited geographic areas.
- We may be unable to integrate effectively the businesses we may acquire, which may impact our operations and limit our growth.
- We may be unable to access the capital and credit markets or borrow on affordable terms to obtain additional capital that we may require, and terms of subsequent financings may adversely impact stockholder equity.
- Our fleet may require additional operating or capital expenses to maintain over time, which could adversely impact our financial results.
- A prolonged downturn in the economic environment could cause an impairment of goodwill or other intangible assets and reduce our earnings, and impairment in the carrying value of long-lived assets could reduce our earnings.
- Our ability to manage and grow our business effectively may be adversely affected if we lose key members of our management or we are unable to employ or retain qualified technical personnel.
- We depend on a limited number of suppliers and, particularly as a result of supply chain disruptions, we are vulnerable to product shortages, long lead times and price increases, which could have a negative impact on our results of operations.
- Our operations are subject to stringent environmental, health and safety regulation, and changes in these regulations could increase our costs or liabilities.
- New regulations, proposed regulations and proposed modifications to existing environmental regulations, such as increased regulation of hydraulic fracturing, if implemented, could result in increased compliance costs or adversely impact our revenue.
- Our business is subject to climate-related transitional risks including evolving climate change legislation, regulatory initiatives and stakeholder pressures in respect of ESG and sustainability practices could result in decreased demand for natural gas and oil and our services, and increased operating expenses and capital costs.
- We are subject to significant legal and reputational risks and expenses relating to the privacy, use and security of employee and customer information. We have experienced cybersecurity incidents or IT system disruptions in the past, and cybersecurity breaches or IT system disruptions may adversely affect our business in the future.
- Our substantial indebtedness could adversely affect our financial condition, and the terms of the ABL Credit Agreement restrict our operations, particularly our ability to respond to changes or to take certain actions.
- Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.
- EQT controls a significant percentage of our voting power. A significant reduction by Kodiak Holdings of its ownership interests in us could adversely affect us.

- After the completion of this offering, EQT will be subject to contractual restrictions that may affect Kodiak Holdings' exercise of its rights to approve corporate actions under the Stockholders' Agreement.
- We may elect to rely on exemptions from certain corporate governance requirements available to controlled companies under NYSE rules.
- EQT may have interests that conflict with the interests of our other stockholders. Certain of our director nominees may also have conflicts of interest because they are also employees of EQT or directors or officers of EQT. The resolution of these conflicts of interest may not be in our or your best interests.
- EQT is not limited in its ability to compete with us, and the corporate opportunity provisions in our charter could enable EQT to benefit from corporate opportunities that may otherwise be available to us.
- The requirements of being a public company may strain our resources, increase our costs and distract management, and we may be unable to comply with these requirements in a timely or cost-effective manner.
- There is no existing market for our common stock, and a trading market that will provide you with adequate liquidity may not develop. The price of our common stock may fluctuate significantly, and you could lose all or part of your investment.
- Our charter and bylaws will contain provisions that could discourage or prevent a takeover attempt even if it might be beneficial to our stockholders, and such provisions may adversely affect the market price of our common stock.
- Our charter will designate the Court of Chancery of Delaware as the exclusive forum for certain types of actions that may be brought by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum.
- We cannot assure you that we will be able to pay dividends on our common stock.
- Future sales of our common stock in the public market could reduce our stock price, and any additional capital raised by us through the sale of equity or convertible securities may dilute your ownership in us.

#### **Our Principal Stockholder**

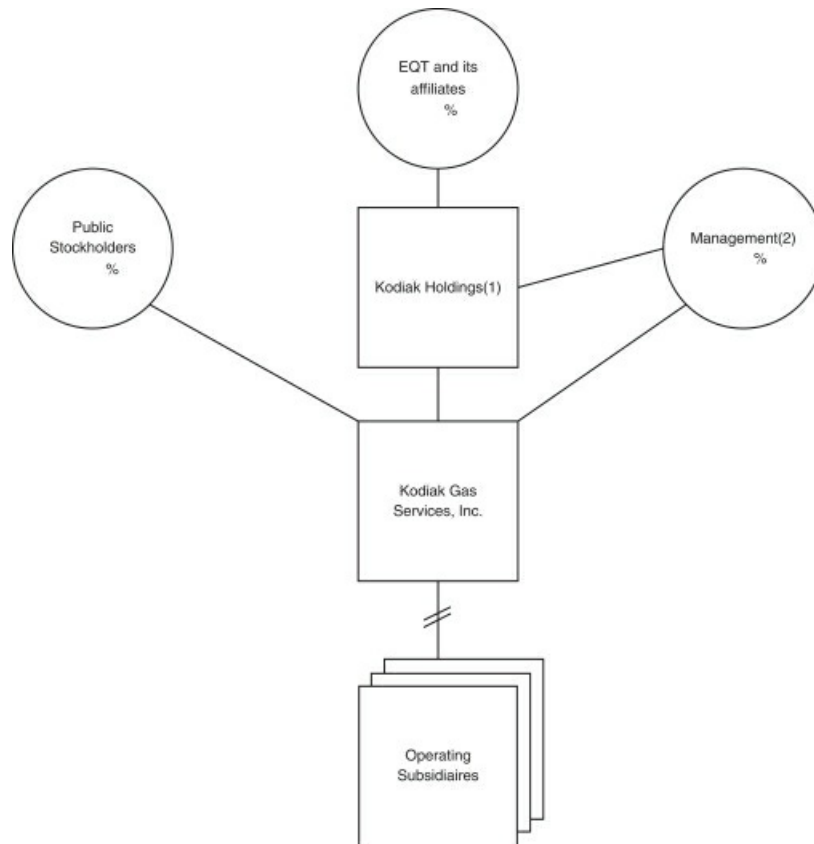
EQT is a purpose-driven global investment organization with EUR 113 billion in assets under management within two business segments—Private Capital and Real Assets. EQT owns portfolio companies and assets in Europe, Asia-Pacific and the Americas and supports them in achieving sustainable growth, operational excellence and market leadership. EQT has offices in 20 countries across Europe, Asia and the Americas and has close to 1,800 employees.

In February 2019, investment funds affiliated with EQT, together with certain other institutional and other investors, acquired a majority of the indirect equity interests in us.

Frontier GP is the general partner of Kodiak Holdings. Investment vehicles affiliated with EQT own 100% of the membership interests in Frontier GP, and EQT indirectly has exclusive responsibility for the management and control of such investment vehicles. As such, EQT indirectly has the power to control the business and affairs of Kodiak Holdings. After completion of this offering, EQT will indirectly own, through its ownership of Kodiak Holdings, approximately % of our outstanding common stock (or % if the underwriters exercise in full their option to purchase additional shares of common stock). As a result, we will be a "controlled company" within the meaning of the rules of the NYSE; however we do not currently intend to rely on any exemptions from the corporate governance requirements of the NYSE available to "controlled companies."

### Simplified Ownership Structure

The following diagram depicts our organizational structure and ownership after giving effect to this offering:



- (1) Frontier Topco GP, LLC (“Frontier GP”) is the general partner of Kodiak Holdings. EQT Infrastructure III SCSp (“EQT Infrastructure III”) owns 100% of the membership interests in Frontier GP. EQT Fund Management S.à r.l. (“EFMS”) has exclusive responsibility for the management and control of the business and affairs of investment vehicles which constitute the majority of the total commitments to EQT Infrastructure III. As such, EFMS has the power to control Frontier GP’s voting and investment decisions and may be deemed to have beneficial ownership of the securities held by Kodiak Holdings.
- (2) Interests in Kodiak Holdings consist of incentive awards held by certain members of management. See Note 9 (“Stockholders’ Equity”) to our Consolidated Financial Statements for details. Interests in the Company are expected to consist of awards under the 2023 Omnibus Incentive Plan. See “Executive Compensation—2023 Omnibus Incentive Plan” for details.

**Corporate Information**

Our principal executive offices are located at 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356, and our telephone number at that address is (936) 539-3300. Our website is available at [www.kodiakgas.com](http://www.kodiakgas.com). We expect to make our periodic reports and other information filed with or furnished to the SEC available free of charge through our website as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus.

<b>The Offering</b>	
<b>Issuer</b>	Kodiak Gas Services, Inc.
<b>Common Stock Offered by Us</b>	_____ shares (or _____ shares if the underwriters exercise in full their option to purchase additional shares of common stock).
<b>Common Stock Outstanding After this Offering</b>	_____ shares (or _____ shares if the underwriters exercise in full their option to purchase additional shares of common stock).
<b>Underwriters' Option to Purchase Additional Shares</b>	We have granted the underwriters an option for a period of 30 days to purchase up to an aggregate of _____ additional shares of our common stock.
<b>Use of Proceeds</b>	<p>We will receive net proceeds from this offering of approximately \$ _____, assuming an initial public offering price of \$ _____ per share (the midpoint of the price range set forth on the cover page of this prospectus), after deducting estimated expenses and underwriting discounts and commissions payable by us. Each \$1.00 increase (decrease) in the public offering price would increase (decrease) our net proceeds by approximately \$ _____.</p> <p>We intend to use the net proceeds from this offering to repay borrowings outstanding under the Term Loan and to use any remaining proceeds for general corporate purposes. See "Use of Proceeds."</p>
<b>Dividend Policy</b>	We intend to recommend to our board of directors that we regularly return capital to our stockholders in the future through a dividend framework that will be communicated to stockholders in the future. Following the completion of this offering, our board of directors may elect to declare cash dividends on our common stock, subject to our compliance with applicable law, and depending on, among other things, economic conditions, our financial condition, results of operations, projections, liquidity, earnings, legal requirements, and restrictions in the agreements governing our indebtedness (as further discussed herein). The payment of any future dividends will be at the discretion of our board of directors, which will be constituted upon completion of this offering and be comprised of a majority of independent directors.
<b>Directed Share Program</b>	At our request, _____, a participating Underwriter, has reserved for sale, at the initial public offering price, up to _____% of the shares offered by this prospectus for sale to some of our directors, officers, employees, distributors, dealers, business associates and related persons. If these persons purchase reserved shares it will reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus. Please read "Underwriting."

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**Risk Factors**

You should carefully read and consider the information set forth under the heading “Risk Factors” beginning on page 27 of this prospectus and all other information set forth in this prospectus before deciding to invest in our common stock.

**Listing and Trading Symbol**

We intend to list our common stock on the NYSE under the symbol “KGS.”



**Summary Financial and Operating Data**

The following table sets forth the summary historical financial and operating data for the periods and as of the dates presented. The summary historical financial data as of December 31, 2022 and 2021 and for the years ended December 31, 2022 and 2021 has been derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary historical financial and operating data presented below is not indicative of the results to be expected for any future period.

The following information should be read together with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our audited consolidated financial statements and related notes thereto included elsewhere in this prospectus.

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
(in thousands)		
<b>Statement of operations data:</b>		
Revenues:		
Compression Operations	\$ 654,957	\$ 583,070
Other Services	52,956	23,305
Total revenues	707,913	606,375
Cost of operations		
Compression Operations (excluding depreciation and amortization)	225,715	192,813
Other Services (excluding depreciation and amortization)	41,636	17,364
Depreciation and amortization	174,463	160,045
Selling, general and administrative expenses	44,882	37,665
Long-lived asset impairment	—	9,107
(Gain) loss on sale of fixed assets	(874)	426
Total operating expenses	485,822	417,420
Income from operations	222,091	188,955
Interest expense, net	(170,114)	(107,293)
Unrealized gain on derivatives	87,363	40,827
Other income (expense)	17	(99)
Income tax expense (benefit)	33,092	(58,573)
Net income	<u>\$ 106,265</u>	<u>\$ 180,963</u>
<b>Statement of cash flows data:</b>		
Cash flows provided by (used in):		
Operating activities	\$ 219,846	\$ 249,978
Investing activities	\$ (251,382)	\$ (202,034)
Financing activities	\$ 23,172	\$ (43,254)
<b>Balance sheet data (at period end):</b>		
Working capital(1)	\$ 15,061	\$ 20,087
Total assets	\$ 3,205,540	\$ 3,011,599
Total liabilities	\$ 2,976,447	\$ 2,051,528
Total equity	\$ 229,093	\$ 960,071

(1) Working capital is defined as current assets minus current liabilities.

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(dollars in thousands)</b>	
<b>Operating data (at period end):</b>		
Fleet horsepower(1)	3,134,306	2,935,826
Revenue-generating horsepower(2)	3,131,631	2,933,203
Fleet compression units(1)	3,024	2,904
Revenue-generating compression units(2)	3,021	2,900
Revenue-generating horsepower per revenue-generating compression unit(3)	1,037	1,011
Horsepower utilization(4)	99.9%	99.9%
<b>Other financial data:</b>		
Net Income	\$ 106,265	\$ 180,963
Gross Margin	266,099	236,153
Gross Margin Percentage	37.6%	38.9%
Adjusted Gross Margin(5)	\$ 440,562	\$ 396,198
Adjusted Gross Margin Percentage(5)	62.2%	65.3%
Adjusted EBITDA(5)	\$ 399,038	\$ 361,009
Adjusted EBITDA Percentage(5)	56.4%	59.5%
Discretionary Cash Flow(5)	\$ 195,585	\$ 212,799
Free Cash Flow(5)	\$ (15,450)	\$ 48,953
<p>(1) Fleet horsepower includes revenue-generating horsepower and idle horsepower, which are compression units that do not have a signed contract or are not subject to a firm commitment from our customer and are not yet generating revenue. Fleet horsepower excludes 58,645 and 65,355 of non-marketable or obsolete horsepower as of December 31, 2022 and December 31, 2021, respectively.</p> <p>(2) Revenue-generating horsepower includes compression units that are operating under contract and generating revenue and compression units which are available to be deployed and for which we have a signed contract or are subject to a firm commitment from our customer.</p> <p>(3) Calculated as (i) revenue-generating horsepower divided by (ii) revenue-generating compression units at period end.</p> <p>(4) Horsepower utilization is calculated as (i) revenue-generating horsepower divided by (ii) fleet horsepower.</p> <p>(5) Adjusted Gross Margin, Adjusted Gross Margin Percentage, Adjusted EBITDA, Adjusted EBITDA Percentage, Discretionary Cash Flow and Free Cash Flow are non-GAAP financial measures. For definitions of Adjusted Gross Margin, Adjusted EBITDA, Discretionary Cash Flow and Free Cash Flow and reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP, see “—Non-GAAP Financial Measures” below.</p>		
<b>Non-GAAP Financial Measures</b>		
<b><i>Adjusted Gross Margin and Adjusted Gross Margin Percentage</i></b>		
<p>Adjusted Gross Margin is a non-GAAP financial measure. We define Adjusted Gross Margin as revenue less cost of operations, exclusive of depreciation and amortization expense. We believe that Adjusted Gross Margin is useful as a supplemental measure to investors of our operating profitability. Adjusted Gross Margin is impacted primarily by the pricing trends for service operations and cost of operations, including labor rates for service technicians, volume and per compression unit costs for lubricant oils, quantity and pricing of routine preventative maintenance on compression units and property tax rates on compression units. Adjusted Gross Margin should not be considered an alternative to, or more meaningful than, gross margin or any other measure of financial performance presented in accordance with GAAP. Moreover, Adjusted Gross Margin as presented may not be comparable to similarly titled measures of other companies. Because we capitalize assets, depreciation and amortization of equipment is a necessary element of our costs. To compensate for the limitations of Adjusted Gross Margin as a measure of our performance, we believe that it is important to consider gross margin determined under GAAP, as well as Adjusted Gross Margin, to evaluate our operating profitability.</p>		

***Adjusted Gross Margin for Compression Operations***

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(in thousands)</b>	
Total Revenues	\$ 654,957	\$ 583,070
Cost of operations (excluding depreciation and amortization)	(225,715)	(192,813)
Depreciation and amortization	<u>(174,463)</u>	<u>(160,045)</u>
Gross Margin	\$ 254,779	\$ 230,212
Gross Margin Percentage	38.9%	39.5%
Depreciation and amortization	174,463	160,045
Adjusted Gross Margin	\$ 429,242	\$ 390,257
Adjusted Gross Margin Percentage(1)	65.5%	66.9%

(1) Calculated using Adjusted Gross Margin for Compression Operations as a percentage of total Compression Operations revenues.

***Adjusted Gross Margin for Other Services***

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(in thousands)</b>	
Total Revenues	\$ 52,956	\$ 23,305
Cost of operations (excluding depreciation and amortization)	(41,636)	(17,364)
Depreciation and amortization	—	—
Gross Margin	\$ 11,320	\$ 5,941
Gross Margin Percentage	21.4%	25.5%
Depreciation and amortization	—	—
Adjusted Gross Margin	\$ 11,320	\$ 5,941
Adjusted Gross Margin Percentage(1)	21.4%	25.5%

(1) Calculated using Adjusted Gross Margin for Other Services as a percentage of total Other Services revenues.

***Adjusted EBITDA and Adjusted EBITDA Percentage***

We define Adjusted EBITDA as net income before interest expense, net; tax expense (benefit); depreciation and amortization; unrealized loss (gain) on derivatives; equity compensation expense; transaction expenses; loss (gain) on sale of assets; and impairment of compression equipment. We define Adjusted EBITDA Percentage as Adjusted EBITDA divided by total revenues. Adjusted EBITDA and Adjusted EBITDA Percentage are used as supplemental financial measures by our management and external users of our financial statements, such as investors, commercial banks and other financial institutions, to assess:

- the financial performance of our assets without regard to the impact of financing methods, capital structure or historical cost basis of our assets;
- the viability of capital expenditure projects and the overall rates of return on alternative investment opportunities;
- the ability of our assets to generate cash sufficient to make debt payments and pay dividends; and
- our operating performance as compared to those of other companies in our industry without regard to the impact of financing methods and capital structure.

We believe that Adjusted EBITDA and Adjusted EBITDA Percentage provide useful information to investors because, when viewed with our GAAP results and the accompanying reconciliation, they provide a more complete understanding of our performance than GAAP results alone. We also believe that external users of our financial statements benefit from having access to the same financial measures that management uses in evaluating the results of our business.

Adjusted EBITDA and Adjusted EBITDA Percentage should not be considered as alternatives to, or more meaningful than, revenues, net income, operating income, cash flows from operating activities or any other measure of financial performance presented in accordance with GAAP as measures of operating performance and liquidity. Moreover, our Adjusted EBITDA and Adjusted EBITDA Percentage as presented may not be comparable to similarly titled measures of other companies.

Given we are a capital intensive business, depreciation, impairment of compression equipment and the interest cost of acquiring compression equipment are necessary elements of our costs. To compensate for these limitations, we believe that it is important to consider both net income and net cash provided by operating activities determined under GAAP, as well as Adjusted EBITDA and Adjusted EBITDA Percentage, to evaluate our financial performance and our liquidity. Our Adjusted EBITDA and Adjusted EBITDA Percentage exclude some, but not all, items that affect net income and net cash provided by operating activities, and these measures may vary among companies. Management compensates for the limitations of Adjusted EBITDA and Adjusted EBITDA Percentage as an analytical tool by reviewing the comparable GAAP measures, understanding the differences between the measures and incorporating this knowledge into management's decision-making processes.

The following table reconciles net income (loss), the most directly comparable GAAP financial measure, to Adjusted EBITDA, its most directly comparable GAAP financial measure, for each of the periods presented:

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(dollars in thousands)</b>	
Net income	\$ 106,265	\$ 180,963
Interest expense, net	170,114	107,293
Tax expense (benefit)	33,092	(58,573)
Depreciation and amortization	174,463	160,045
Unrealized (gain) on derivatives	(87,363)	(40,827)
Equity compensation expense(1)	971	1,224
Transaction expenses(2)	2,370	1,351
(Gain) loss on sale of assets	(874)	426
Impairment of compression equipment(3)	—	9,107
Adjusted EBITDA	<u>\$ 399,038</u>	<u>\$ 361,009</u>
Adjusted EBITDA Percentage	56.4%	59.5%

- (1) For the years ended December 31, 2022 and 2021, there were \$1.0 million and \$1.2 million, respectively, of non-cash adjustments for equity compensation expense related to the Company's time-based vested shares.
- (2) Represents certain costs associated with non-recurring professional services, our equity owners' expenses and other costs. We believe it is useful to investors to exclude these expenses.
- (3) Represents non-cash charges incurred to write down long-lived assets with recorded values that are not expected to be recovered through future cash flows.

The following table reconciles Net cash provided by operating activities to Adjusted EBITDA for each of the periods presented:

	Year Ended December 31,	
	2022	2021
	(in thousands)	
Net cash provided by operating activities	\$ 219,846	\$ 249,978
Interest expense, net	170,114	107,293
Tax expense (benefit)	33,092	(58,573)
Deferred tax provision (benefit)	(27,301)	60,972
Transaction expenses	2,370	1,351
Other (1)	(17,130)	(6,406)
Change in operating assets and liabilities	18,047	6,394
Adjusted EBITDA	<u>\$ 399,038</u>	<u>\$ 361,009</u>

(1) Includes amortization of debt issuance costs, non-cash lease expense, provision for bad debt and inventory reserve.

***Discretionary Cash Flow***

We define Discretionary Cash Flow as net cash provided by operating activities less maintenance capital expenditures, transaction expenses, certain changes in operating assets and liabilities and certain other expenses. We believe Discretionary Cash Flow is a useful liquidity and performance measure and supplemental financial measure for us and our investors in assessing our ability to pay cash dividends to our stockholders, make growth capital expenditures and assess our operating performance. Our ability to pay dividends is subject to limitations due to restrictions contained in our ABL Credit Agreement as further described elsewhere herein. Discretionary Cash Flow is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP, such as revenues, net income, operating income (loss) or cash flows from operating activities. Discretionary Cash Flow as presented may not be comparable to similarly titled measures of other companies.

***Free Cash Flow***

We define Free Cash Flow as net cash provided by operating activities less maintenance and growth capital expenditures, transaction expenses, certain changes in operating assets and liabilities and certain other expenses. We believe Free Cash Flow is a liquidity measure and useful supplemental financial measure for us and investors in assessing our ability to pursue business opportunities and investments to grow our business and to service our debt. Free Cash Flow is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP, such as revenues, net income (loss), operating income (loss) or cash flows from operating activities. Free Cash Flow as presented may not be comparable to similarly titled measures of other companies.

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The following table reconciles Net cash provided by operating activities, to Discretionary Cash Flow and Free Cash Flow, for each of the periods presented:

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	(in thousands)	
Net cash provided by operating activities	\$ 219,846	\$ 249,978
Maintenance capital expenditures	(48,313)	(38,088)
Transaction expenses	2,370	1,351
Change in operating assets and liabilities	18,047	6,394
Proceeds from sale of capital assets	8,082	13
Non-cash accrued capital expenditures	(1,918)	(6,961)
Other(1)	(2,529)	112
Discretionary Cash Flow	195,585	212,799
Growth capital expenditures	(211,035)	(163,845)
Free Cash Flow	<u>\$ (15,450)</u>	<u>\$ 48,953</u>

(1) Includes non-cash lease expense, provision for bad debt, inventory reserve and (gain) loss on sales of assets.

The following table reconciles Net income to Discretionary Cash Flow and Free Cash Flow, for each of the periods presented:

	<b>Year Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	(in thousands)	
Net income	\$ 106,265	\$ 180,963
Depreciation and amortization	174,463	160,045
Unrealized (gain) on derivatives	(87,363)	(40,827)
Deferred tax provision (benefit)	27,301	(60,972)
Amortization of debt issuance costs	13,727	6,944
Equity compensation expense(1)	971	1,224
Transaction expenses(2)	2,370	1,351
Proceeds from sale of capital assets	8,082	13
Non-cash accrued capital expenditures	(1,918)	(6,961)
Impairment of compression equipment(3)	—	9,107
Maintenance capital expenditures	(48,313)	(38,088)
Discretionary Cash Flow	195,585	212,799
Growth capital expenditures	(211,035)	(163,845)
Free Cash Flow	<u>\$ (15,450)</u>	<u>\$ 48,953</u>

(1) For the years ended December 31, 2022 and 2021, there were \$1.0 million and \$1.2 million, respectively, of non-cash adjustments for equity compensation expense related to the Company's time-based vested shares.

(2) Represents certain costs associated with non-recurring professional services, our equity owners' expenses and other costs. We believe it is useful to investors to exclude these expenses.

(3) Represents non-cash charges incurred to write down long-lived assets with recorded values that are not expected to be recovered through future cash flows.

**Summary Unaudited Pro Forma Consolidated Financial Data**

We derived the summary unaudited pro forma consolidated financial data set forth below by the application of pro forma adjustments to the historical financial statements of Kodiak Gas Services, Inc. appearing elsewhere in this prospectus.

The unaudited pro forma consolidated balance sheet as of December 31, 2022 gives effect to the Offering Transactions (as defined herein) as if they had occurred as of December 31, 2022. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2022 gives effect to the Offering Transactions as if they had occurred on January 1, 2022.

We have derived the unaudited pro forma consolidated balance sheet and the unaudited pro forma consolidated statement of operations from our consolidated financial statements as of and for the year ended December 31, 2022 included elsewhere in this prospectus. The unaudited pro forma consolidated financial information was prepared in accordance with Article 11 of Regulation S-X.

The pro forma adjustments are based on available information and upon assumptions that management believes are reasonable in order to reflect, on a pro forma basis, the effect of the Offering Transactions on the historical financial information of Kodiak Gas Services, Inc. The adjustments are described in the notes to the unaudited pro forma consolidated balance sheet and the unaudited pro forma consolidated statement of operations. Except as otherwise indicated, the unaudited pro forma consolidated financial information presented assumes no exercise by the underwriters of their over-allotment option.

The unaudited pro forma consolidated financial information is included for informational purposes only. The unaudited pro forma consolidated financial information should not be relied upon as being indicative of our results of operations or financial condition had the Offering Transactions occurred on the dates assumed. The unaudited pro forma consolidated financial information also does not project our results of operations or financial position for any future period or date. The unaudited pro forma consolidated statement of operations and balance sheet should be read in conjunction with the “Risk Factors,” “Summary Financial and Operating Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Unaudited Pro Forma Consolidated Financial Information” and our consolidated financial statements and related notes included elsewhere in this prospectus.

	<u>Unaudited Pro Forma</u> <u>Year Ended</u> <u>December 31, 2022</u> <u>(in thousands)</u>
<b>Consolidated Statement of Operations Data:</b>	
<b>Revenues:</b>	
Compression Operations	\$
Other Services	_____
Total net revenues	_____
<b>Operating Expenses:</b>	
Compression Operations	_____
Other Services	_____
Depreciation and amortization	_____
Selling, general and administrative expenses	_____
Long-lived asset impairment	_____
Loss (gain) on sale of fixed assets	_____
Total operating expenses	_____
<b>Income from operations</b>	<b>\$</b>

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	<b>Unaudited Pro Forma Year Ended December 31, 2022 (in thousands)</b>
<b>Non-Operating Income (Expense):</b>	
Interest expense	\$
Unrealized gain (loss) on derivatives	
Other income (expense)	
Total non-operating income (expense)	
<b>Income before income taxes</b>	
Income taxes	
Net income	<b>\$</b>
Pro forma net income per share:	
Basic	
Diluted	
Weighted average shares outstanding	
<b>Consolidated Balance Sheet Data:</b>	
Cash and cash equivalents	\$
Total assets	
Total liabilities	
Total members'/stockholders' equity	



## RISK FACTORS

*An investment in our common stock involves a high degree of risk. You should carefully consider the risks described below together with other information set forth in this prospectus before investing in shares of our common stock. If any of the following risks or uncertainties actually occur, our business, financial condition, prospects, results of operations and cash flow could be materially adversely affected. The risks discussed below are not the only risks we face. Additional risks or uncertainties not known to us, or that we currently deem immaterial, may also have a material adverse effect on our business, financial condition, prospects, results of operations or cash flows. We cannot assure you that any of the events discussed in the risk factors below will not occur. In that case, the market price of our common stock could decline and you may lose all or a part of your investment.*

### **Risks Related to Our Business and Our Industry**

***A long-term reduction in the demand for, or production of, natural gas or oil could adversely affect the demand for our compression operations or the prices we charge for our compression operations, which could result in a decrease in our revenues.***

The demand for our compression operations depends upon the continued demand for, and production of, natural gas and oil. The natural gas and oil industry is historically cyclical with levels of activity that are significantly affected by the levels and volatility of natural gas and oil prices. We may experience fluctuations in operating results as a result of the reactions of our customers to changes in natural gas and oil prices. Demand may be affected by, among other factors, natural gas prices, oil prices, weather, availability of alternative energy sources, governmental regulation and the overall demand for energy. Any prolonged, substantial, material reduction in the demand for natural gas or oil would likely depress the level of production activity and result in a decline in the demand for our compression operations, which could result in a reduction in our revenues.

***We have several key customers. The loss of one or more of these customers would result in a decrease in our revenues and could adversely affect our financial results.***

We provide compression operations under contracts with several key customers. The loss of one or more of these key customers may have an adverse effect on our financial results. Our two largest customers accounted for approximately 22% and 24% of our total revenues for the years ended December 31, 2022 and 2021, respectively. Our largest customer accounted for approximately 13% and 12% of our revenues for the years ended December 31, 2022 and December 31, 2021, respectively. Additionally, our ten largest customers accounted for approximately 59% of our revenue for each of the years ended December 31, 2022 and 2021. The loss of all or even a portion of the compression operations we provide to our key customers, as a result of competition or otherwise, could have a material adverse effect on our business, results of operations and financial condition.

***The deterioration of the financial condition of our customers could adversely affect our business.***

During times when the natural gas or oil markets weaken, our customers are more likely to experience financial difficulties, including being unable to access debt or equity financing, which could result in a reduction in our customers' spending for our services. For example, our customers could seek to preserve capital by using lower cost providers, not renewing month-to-month contracts or determining not to enter into any new compression operations contracts. A significant decline in commodity prices may cause certain of our customers to reconsider their near-term capital budgets, which may impact large-scale natural gas infrastructure and oil production activities. Reduced demand for our services could adversely affect our business, results of operations, financial condition and cash flows. In addition, in the event of the financial failure of a customer, we could experience a loss of all or a portion of our outstanding accounts receivable associated with that customer.

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### ***We face significant competition that may cause us to lose market share.***

The compression business is competitive. Our ability to renew or replace existing contracts with our customers at rates sufficient to maintain current revenue and cash flows could be adversely affected by the activities of our competitors and our customers. If our competitors substantially increase the resources they devote to the development and marketing of competitive services or substantially decrease the prices at which they offer their services, we may be unable to compete effectively. Our competitors may be able to adapt more quickly to technological changes within our industry and changes in economic and market conditions and more readily take advantage of acquisitions and other opportunities. In addition, we could face significant competition from new entrants into our industry. Some of these competitors may expand or construct newer, more powerful or more flexible compression fleets, which would create additional competition for us. All of these competitive pressures could have a material adverse effect on our business, results of operations and financial condition.

### ***Our customers may choose to vertically integrate their operations by purchasing and operating their own compression fleet, increasing the number of compression units they currently own or using alternative technologies for enhancing oil production.***

Our customers that are significant producers, processors, gatherers and transporters of natural gas and oil may choose to vertically integrate their operations by purchasing and operating their own compression fleets in lieu of using our compression operations. The historical availability of attractive financing terms from financial institutions and equipment manufacturers facilitates this possibility by making the purchase of individual compression units increasingly affordable to our customers. In addition, there are many technologies available for the artificial enhancement of oil production, and our customers may elect to use these alternative technologies instead of the gas lift compression operations we provide. Such vertical integration or use of alternative technologies could result in decreased demand for our compression operations, which may have a material adverse effect on our business, results of operations and financial condition.

### ***After the primary term of our contracts, such contracts are cancellable on 30 to 90 days' notice, and we cannot be sure that such contracts will be extended or renewed after the end of the initial contractual term. Any such non-renewals, or renewals at reduced rates or the loss of contracts with any significant customer could adversely impact our financial results.***

The length of our contract compression operations contracts with customers varies based on operating conditions and customer needs. As of December 31, 2022, approximately 7.5% of our compression operations on a revenue basis were provided on a month-to-month basis to customers who continue to utilize our services following expiration of the primary term of their contracts. These customers can generally terminate their month-to-month compression operations contracts on 30 to 90 days' notice. We cannot be sure that a substantial number of these contracts will be extended or renewed by our customers or that any of our customers will continue to contract with us. The inability to negotiate extensions or renew a substantial portion of our contract compression operations contracts, the renewal of such contracts at reduced rates, the inability to contract for additional services with our customers or the loss of all or a significant portion of our services contracts with any significant customer could lead to a reduction in revenue and net income and could require us to record additional asset impairments. This could have a material adverse effect upon our business, results of operations and financial condition.

### ***The majority of our operations are located in the Permian Basin and Eagle Ford Shale, making us vulnerable to risks associated with operating in limited geographic areas.***

Our operations are geographically concentrated in the Permian Basin and Eagle Ford Shale. As a result, we may be disproportionately exposed to the impact of regional supply and demand factors in the Permian Basin or Eagle Ford Shale caused by significant governmental regulation, curtailment of production or interruption of the processing or transportation of natural gas and oil produced from the wells in these areas. In addition, the effect

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of fluctuations on supply and demand may become more pronounced within specific geographic natural gas and oil producing areas such as the Permian Basin and Eagle Ford Shale, which may cause these conditions to occur with greater frequency or magnify the effects of these conditions. Due to the concentrated nature of our operations, we could experience any of the same conditions at the same time, resulting in a relatively greater impact on our revenue than they might have on other companies that have more geographically diverse operations.

***We may be unable to integrate effectively the businesses we may acquire, which may impact our operations and limit our growth.***

From time to time, we may choose to make business acquisitions to pursue market opportunities, increase our existing capabilities and expand into new geographic areas of operations. We may not be successful in integrating any future acquisitions into our existing operations, which may result in unforeseen operational difficulties or diminished financial performance or require a disproportionate amount of our management's attention. Even if we are successful in integrating future acquisitions into our existing operations, we may not derive the benefits, such as operational or administrative synergies, that we expected from such acquisitions which may result in the commitment of our capital resources without the expected returns on such capital. Our inability to integrate acquisitions successfully into our existing operations, may adversely impact our operations and limit our growth.

***We may be unable to access the capital and credit markets or borrow on affordable terms to obtain additional capital that we may require.***

We have financed acquisitions, operating expenditures and capital expenditures with a combination of cash provided by operating and financing activities. However, to the extent we are unable to finance our operating expenditures, capital expenditures, scheduled interest and debt repayments and any future dividends with net cash provided by operating activities and borrowings under the ABL Credit Agreement or future financing arrangements, we may require additional capital. Periods of instability in the capital and credit markets (both generally and in the natural gas and oil industry in particular) could limit our ability to access these markets to raise debt or equity capital on affordable terms or to obtain additional financing. Among other things, our lenders may seek to increase interest rates, enact tighter lending standards, refuse to refinance existing debt at maturity at favorable terms or at all and may reduce or cease to provide funding to us. If we are unable to access the capital and credit markets on favorable terms, or if we are not successful in raising capital within the time period required or at all, we may not be able to grow or maintain our business, which could have a material adverse effect on our business, results of operations and financial condition. Additionally, we may be unable to refinance borrowings under the ABL Credit Agreement.

***Our fleet may require additional operating or capital expenses to maintain over time, which could adversely impact our financial results.***

Our fleet may require additional operating or capital expenses to maintain over time, which could adversely impact our financial results. Such costs may include direct costs such as labor, parts, materials and any other services that are unique in nature to each individual compression unit. The cost of additions or improvements to our fleet could adversely impact our financial results.

***Impairment in the carrying value of long-lived assets could reduce our earnings.***

We have a significant number of long-lived assets on our consolidated balance sheet. Under GAAP, we are required to review our long-lived assets for impairment when events or circumstances indicate that the carrying value of such assets may not be recoverable or such assets will no longer be utilized in the operating fleet. The carrying value of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If business conditions or other factors cause

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the expected undiscounted cash flows to decline, we may be required to record non-cash impairment charges. Events and conditions that could result in impairment in the value of our long-lived assets include changes in the industry in which we operate, long-term extended reduction in demand for natural gas and oil, competition, advances in technology, adverse changes in the regulatory environment or other factors leading to a reduction in our expected long-term profitability.

***A prolonged downturn in the economic environment could cause an impairment of goodwill or other intangible assets and reduce our earnings.***

As of December 31, 2022, we had approximately \$306 million of goodwill and identifiable intangible assets of approximately \$132 million. Goodwill is recorded when the purchase price of a business exceeds the fair market value of the tangible and separately measurable intangible net assets. GAAP requires us to test goodwill for impairment on an annual basis or when events or circumstances occur indicating that goodwill might be impaired. Any event that causes a reduction in demand for our services could result in a reduction of our estimates of future cash flows and growth rates in our business. These events could cause us to record impairments of goodwill or other intangible assets.

***We have in the past been, and may in the future be, subject to sales tax audits in jurisdictions where we operate. As a result we may incur material unanticipated sales tax liabilities.***

Taxing authorities in the jurisdictions in which we operate have in the past, and may in the future, audit us or otherwise challenge the amount of sales tax we have collected or paid. As a result, we may incur material unanticipated sales tax liabilities. Beginning in October 2019 through March 2023, we received notices of audits from the State of Texas Comptroller's office for the periods covering December 2015 through October 2022 (the "Sales Tax Audit"). Based on the information currently available, we have accrued a contingent liability of \$27.8 million for the periods set forth in the notices of audit. This accrual may not be sufficient to cover the expenses and liabilities related to a future audit for such period.

If we are unable to make all payments required by any taxing authority as a result of an audit, settlement or otherwise, we could face additional interest or penalties, or other punitive actions, up to and including seizure of our assets or forfeiture of our sales tax permit. Payments and penalties related to sales taxes could have a material adverse effect on our business, financial condition and result of operations.

***We qualify as a Heavy Equipment Dealer for ad valorem tax purposes under revised Texas statutes. If in the future we do not qualify as a Heavy Equipment Dealer or our compression units do not qualify as Heavy Equipment because of new or revised Texas statutes or different interpretations by Texas governmental authorities, we will incur additional taxes, which would adversely impact our results of operations and financial condition.***

In 2011, the Texas Legislature enacted changes related to the appraisal of natural gas compression units for ad valorem tax purposes by expanding the definitions of "Heavy Equipment Dealer" and "Heavy Equipment" effective from the beginning of 2012. If legislation is enacted in Texas that repeals or alters the Heavy Equipment statutes or a Texas governmental authority takes a different position such that we do not qualify as a Heavy Equipment Dealer or our compression units do not qualify as Heavy Equipment, then we would likely be required to pay additional ad valorem taxes with respect to prior and future periods, which would increase our quarterly cost of sales expense unless passed on to our customers, thereby impacting our future results of operations and financial condition. We may not be able to pass this cost along to our customers.

***Our ability to manage and grow our business effectively may be adversely affected if we lose key members of our management.***

We depend on the continuing efforts of our executive officers, and the departure of any of our executive officers could have a significant negative effect on our business, operating results, financial condition and on our ability to compete effectively in the marketplace.

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***We might be unable to employ or retain qualified technical personnel, which could hamper our present operations, limit our ability to grow or increase our costs.***

Many of the compression units that we operate are mechanically complex and often must perform in harsh conditions. We believe that our success depends upon our ability to employ and retain a sufficient number of technical personnel who have the ability to utilize, enhance and maintain these compression units. Our ability to maintain and expand our operations depends in part on our ability to utilize, replace, supplement and increase our skilled labor force. The demand for skilled workers is high, and supply is limited, especially in the Permian Basin. A significant increase in the wages paid by competing employers could result in a reduction of our skilled labor force or cause an increase in the wage rates that we must pay or both. If either of these events were to occur, our cost structure could increase, and our operations and growth potential could be impaired. Employee turnover may also lead to lost productivity and decrease employee engagement which could adversely impact our business.

Additionally, our ability to hire, train and retain qualified personnel could become more challenging as we grow and to the extent energy industry market conditions are competitive. When general industry conditions are favorable, the competition for experienced operational and field technicians increases as other energy and manufacturing companies' needs for the same personnel increases. Our ability to grow or even to continue our current level of service to our current customers could be adversely impacted if we are unable to successfully hire, train and retain these important personnel. In addition, effective succession planning for our employees and expansion planning is important to our long-term success. Failure to achieve these plans could hinder our strategic planning and execution and have a material adverse impact on our business, financial condition or results of operations.

***Any unionization efforts or labor regulation changes in certain jurisdictions in which we operate could divert management's attention and could have a materially adverse effect on our operating results or limit our operational flexibility.***

We consider our relationship with our employees to be satisfactory, and none of our employees are represented by a union in collective bargaining with us. However, efforts could be made by employees and third parties from time to time to unionize portions of our workforce. In addition, we may be subject to strikes or work stoppages and other labor disruptions in the future. Any unionization efforts, collective bargaining agreements or work stoppages could have a materially adverse effect on our operating results or limit our operational flexibility.

***We depend on a limited number of suppliers and, particularly as a result of supply chain and logistics disruptions that began during the COVID-19 pandemic and the resulting inflationary environment, we are vulnerable to product shortages, long lead times and price increases, which could have a negative impact on our results of operations.***

The substantial majority of the components for our natural gas compression equipment are supplied by a limited number of key vendors. Our reliance on these suppliers involves several risks, including price increases and a potential inability to obtain an adequate supply of required components in a timely manner. We also rely primarily on a limited number of vendors to package and assemble our compression units. We do not have long-term contracts with these suppliers or packagers, and a partial or complete loss of any of these sources could have a negative impact on our results of operations and could damage our customer relationships. In addition, the preferences of our customers with respect to particular vendors may change, which could require us to find new vendors. Some of these suppliers manufacture the components we purchase in a single facility, and any damage to that facility could lead to significant delays in delivery of completed compression units to us.

If we are unable to purchase compression equipment or components for our compression equipment on a timely basis to meet the demands of our customers, our existing customers may terminate their contractual relationships with us, or we may not be able to compete for business from new or existing customers, which, in each case,

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could have a material adverse effect on our business, results of operations and financial condition. Further, supply chain bottlenecks resulting from the COVID-19 pandemic could adversely affect our ability to obtain necessary materials, parts or other components used in our operations or increase the costs of such items. A significant increase in the price of such equipment, materials and services, as a result of the COVID-19 pandemic, the resulting supply chain and logistics disruptions, or otherwise, could have a negative impact on our business, results of operations, financial condition and cash flows.

***Nonperformance by our suppliers or vendors could impact our revenues, increase our expenses and otherwise have a negative impact on our ability to conduct our business, operating results and cash flows.***

Weak economic conditions or widespread financial distress could reduce the liquidity of our suppliers or vendors, making it more difficult for them to meet their commitments or obligations to us. Nonperformance by suppliers or vendors who have committed to provide us with critical products or services could raise our costs or interfere with our ability to successfully conduct our business.

***Our operations entail inherent risks that may result in interruption of our operations and/or substantial liability. We do not insure against all potential losses and could be seriously harmed by unexpected liabilities.***

Our operations are subject to inherent risks such as equipment defects, malfunctions and failures, natural disasters and other incidents that can result in uncontrollable flows of gas or well fluids, fires and explosions. These risks could cause the interruption of our operations and the operations of our customers, and we may endure significant equipment damage, revenue losses and reputational harm, all of which could have an adverse effect on our business, prospects and financial condition. Moreover, such risks could expose us to substantial liability for personal injury, death, property damage, pollution and other environmental damages. Our insurance may be inadequate to cover our liabilities or subject to cancellation notices. Further, insurance covering the risks we face or in the amounts we desire may not be available in the future or, if available, the premiums may not be commercially justifiable. If we were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, resulted in cancellation of our policy, or if we were to incur liability at a time when we are not able to obtain liability insurance, our business, results of operations and financial condition could be adversely affected.

***If we do not satisfy our mechanical availability guarantee, a customer has the ability to terminate its gas compression contracts.***

Our gas compression contracts provide a guarantee of specified “mechanical availability,” of 98.0% to 98.5%. We define “mechanical availability” as the percentage of time each month that our compression operations equipment is “mechanically available” to compress gas under design and operating conditions set forth in the contract. The calculation for mechanical availability includes any downtime that is incurred as a result of our operations, such as mechanical shutdowns, maintenance events, repairs or overhauls, but does not include any downtime caused by a mechanical failure or shutdown that occurs as a result of improper gas or objectionable liquids or solids in the gas or fuel stream, insufficient gas available for compression or fuel, any shutdown due to the applicable customer’s production or processing operations or downtime not directly caused by us, including downtime due to “force majeure” events, such as acts of God, acts related to terrorism, strikes, lockouts and/or accidents. A failure to satisfy mechanical availability requirements under a contract for three consecutive months could result in termination of the applicable contract by the customer, which could have an adverse effect on our financial results.

***Terrorist attacks, the threat of terrorist attacks or other sustained military campaigns may adversely impact our results of operations.***

The long-term impact of terrorist attacks and the magnitude of the threat of future terrorist attacks on the energy industry in general and on us in particular are not known at this time. Uncertainty surrounding sustained military campaigns may affect our operations in unpredictable ways, including disruptions of natural gas and oil supplies and markets for natural gas, natural gas liquids and oil and the possibility that infrastructure facilities could be direct targets of, or indirect casualties of, an act of terror or war. Changes in the insurance markets attributable to

terrorist attacks may make insurance against such attacks more difficult for us to obtain, if we choose to do so. Moreover, the insurance that may be available to us may be significantly more expensive than our existing insurance coverage. Instability in the financial markets resulting from terrorism or war could also negatively affect our ability to raise capital.

#### **Risks Related to Regulatory Matters**

***Our operations are subject to stringent environmental, health and safety regulation, and changes in these regulations could increase our costs or liabilities.***

Our operations at customer sites are subject to stringent and complex federal, state and local environmental, health and safety laws and regulations, including laws and regulations governing the discharge of materials into the environment, emissions controls and other environmental protection and occupational health and safety concerns. Environmental laws and regulations, such as the Comprehensive Environmental Response Compensation and Liability Act (“CERCLA”) and comparable state laws, may impose strict, as well as joint and several, liability for environmental contamination, which could render us potentially liable for remediation costs, natural resource damages and other damages, regardless of whether we were responsible for the release or contamination, and even if our operations were lawful at the time of the release or if contamination was caused by third parties. In addition, third parties, including neighboring landowners, could file claims for personal injury, property damage and recovery of response costs. Remediation costs and other damages arising as a result of environmental laws and regulations, and costs associated with changes in existing environmental laws and regulations or the adoption of new environmental laws and regulations over time could adversely impact our or our customers’ financial condition or results of operations. Moreover, failure by us or our customers to comply with these environmental laws and regulations could result in the imposition of administrative, civil and criminal penalties and the issuance of injunctions delaying or prohibiting operations, which could in turn have an adverse impact on our customers and our business.

We conduct operations in a wide variety of customer locations across the continental United States (“U.S.”) Our customers are required to hold certain U.S. federal, state or local environmental permits or other authorizations and may require new or amended facility permits or licenses from time to time with respect to storm water discharges, waste handling or air emissions relating to equipment operations, including compression units, which subject our customers to new or revised permitting conditions that may be onerous or with respect to which compliance may be costly. These permits and authorizations frequently contain numerous compliance requirements, including monitoring and reporting obligations and operational restrictions, such as emissions limits. Given the wide variety of locations in which our customers operate, and the number of environmental permits and other authorizations that are applicable to our customers’ operations, our customers may occasionally identify or be notified of violations of or noncompliance with certain requirements existing under various permits or may be required to obtain additional permits. Although we do not hold the permits, such noncompliance with required permits or the failure to obtain additional permits by our customers could subject our customers to future penalties, operating restrictions, or delays in obtaining new or amended permits which could in turn have a material adverse effect on our business, financial condition, and results of operations.

Environmental, health and safety laws and regulations are constantly evolving and may become increasingly complex and more stringent over time. Future environmental health and safety laws and regulations (or changes to existing laws and regulations) may also negatively impact natural gas and oil exploration and production, gathering and pipeline companies, including our customers, which in turn could have a material adverse effect on our business, financial conditions, and results of our operations.

***New regulations, proposed regulations and proposed modifications to existing regulations under the Clean Air Act, if implemented, could result in increased compliance costs and changes in customers’ demand and desired suppliers.***

New regulations or proposed modifications to existing regulations under the Clean Air Act (“CAA”) may lead to adverse impacts on our business, financial condition and results of operations. For example, in 2015, the

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Environmental Protection Agency (“EPA”) finalized a rule strengthening the primary and secondary National Ambient Air Quality Standards (“NAAQS”) for ground level ozone, both of which are eight-hour concentration standards of 70 parts per billion. In December 2020, the EPA published its decision to retain the 2015 NAAQS for ground-level ozone; however, in October 2021, the EPA announced it will reconsider its December 2020 decision. While a draft assessment released in April 2022 indicates that EPA staff have reached a preliminary conclusion that the December 2020 decision will stand, the EPA is targeting the end of 2023 to complete its reconsideration. After the EPA revises a NAAQS standard, the states are expected to establish revised attainment/non-attainment regions. State implementation of the revised NAAQS could result in stricter permitting requirements, delay or prohibit our customers’ ability to obtain such permits, and result in increased expenditures for pollution control equipment, which could negatively impact our customers’ operations, increase the cost of additions to property, plants and equipment and negatively impact our business.

In 2012, the EPA finalized rules that establish new air emissions controls for natural gas and oil production and natural gas processing operations. Specifically, the EPA’s rule package included New Source Performance Standards to address emissions of sulfur dioxide and volatile organic compounds (“VOCs”) and a separate set of emissions standards to address hazardous air pollutants frequently associated with natural gas and oil production and processing activities. The rules established specific new requirements regarding emissions from compression units and controllers at natural gas processing plants, dehydrators, storage tanks and other production equipment as well as the first federal air standards for natural gas wells that are hydraulically fractured. In June 2016, the EPA took steps to expand on these regulations when it published New Source Performance Standards, known as Subpart OOOOa, that required certain new, modified or reconstructed facilities in the natural gas and oil sector to reduce methane gas and VOC emissions. These Subpart OOOOa standards expanded the 2012 New Source Performance Standards by using certain equipment-specific emissions control practices, requiring additional controls for pneumatic controllers and pumps as well as compression units, and imposing leak detection and repair requirements for natural gas compression units and booster stations.

In September 2020, the EPA, under the Trump Administration, finalized two sets of amendments to the 2016 Subpart OOOOa standards. The first, known as the 2020 Technical Rule, reduced the 2016 rule’s fugitive emissions monitoring requirements, among other changes. The second, known as the 2020 Policy Rule, rescinded the methane-specific requirements for certain natural gas and oil sources in the production and processing segments. On January 20, 2021, President Biden issued an Executive Order directing the EPA to rescind the 2020 Technical Rule by September 2021 and consider revising the 2020 Policy Rule. In June 2021, President Biden signed a Congressional Review Act resolution passed by Congress that revoked the 2020 Policy Rule but did not address the 2020 Technical Rule. Further, on November 15, 2021, the EPA issued a proposed rule intended to reduce methane emissions from natural gas and oil sources. The proposed rule would make the existing regulations in Subpart OOOOa more stringent and create a Subpart OOOOb to expand reduction requirements for new, modified, and reconstructed natural gas and oil sources, including standards focusing on certain source types that have never been regulated under the Clean Air Act (including intermittent vent pneumatic controllers, oil well associated gas, and liquids unloading facilities). In addition, the proposed rule would establish “Emissions Guidelines,” creating a Subpart OOOOc that would require states to develop plans to reduce methane emissions from existing sources that must be at least as effective as presumptive standards set by EPA. The EPA issued a supplemental proposed rule on November 15, 2022 to update, strengthen and expand its November 2021 proposed rule. The supplemental proposed rule would impose more stringent requirements on the natural gas and oil industry. It is currently subject to a public comment period that runs through February 13, 2023, and is expected to be finalized in 2023. We cannot predict whether and in what form EPA will finalize these amendments; however, Subpart OOOOa and any additional regulation of air emissions from the natural gas and oil sector could result in increased expenditures for pollution control equipment, which could impact our customers’ operations and negatively impact our business.

Additionally, in August 2022, President Biden signed into law the Inflation Reduction Act of 2022. Among other things, the Inflation Reduction Act includes a methane emissions reduction program that amends the CAA to include a Methane Emissions and Waste Reduction Incentive Program for petroleum and natural gas systems.



This program requires the EPA to impose a “waste emissions charge” on certain natural gas and oil sources that are already required to report under EPA’s Greenhouse Gas Reporting Program. Implementation of such programs could increase our operating costs and accelerate the transition away from fossil fuels, which could in turn have an adverse impact on our customers and thus adversely impact our business.

***A climate-related decrease in demand for natural gas and oil could negatively affect our business.***

Supply and demand for natural gas and oil is dependent upon a variety of factors, many of which are beyond our control. These factors include, among others, the potential adoption of new government regulations, including those related to fuel conservation measures and climate change regulations, technological advances in fuel economy, an economy-wide transition to lower greenhouse gas (“GHG”) energy sources and energy generation devices. For example, legislative, regulatory or executive actions intended to reduce emissions of GHGs could increase the cost of consuming natural gas and oil, thereby potentially causing a reduction in the demand for such products. A broader transition to alternative fuels or energy sources, whether resulting from potential new government regulation, carbon taxes or consumer preferences, could result in decreased demand for natural gas and oil. Any decrease in demand for these products could consequently reduce demand for our services and could have a negative effect on our business.

Efforts by governments, international bodies, businesses and consumers to reduce GHGs and otherwise mitigate the effects of climate change are ongoing. The nature of these efforts and their effects on our business are inherently unpredictable and subject to change. However, any activism directed at shifting funding and/or demand away from companies with energy-related assets could result in a reduction of funding for the energy sector overall, which could have an adverse effect on our ability to obtain external financing as well as negatively affect the cost of, and terms for, financing to fund capital expenditures or other aspects of our business.

***Our business is subject to climate-related transitional risks, including evolving climate change legislation, regulatory initiatives and stakeholder pressures could result in increased operating expenses and capital costs, financial risks and potential reduction in demand for our services.***

Combating the effects of climate change continues to attract considerable attention in the United States and internationally, including from regulators, legislators, companies in a variety of industries, financial market participants and other stakeholders. Climate change legislation and regulatory initiatives may arise from a variety of sources, including international, national, regional and state levels of government and associated administrative bodies, seeking to monitor, restrict or regulate existing emissions of GHGs, such as carbon dioxide and methane, as well as to restrict or eliminate future emissions. Accordingly, our business and operations, and those of our customers, are subject to executive, regulatory, political and financial risks associated with natural gas and the emission of GHGs.

Congress has previously considered legislation to restrict or regulate emissions of GHGs. Energy legislation and other initiatives continue to be proposed that may be relevant to GHG emissions issues. Almost half of the states, either individually or through multi-state regional initiatives, have begun to address GHG emissions, primarily through the planned development of emission inventories or regional GHG cap and trade programs. Although most of the state-level initiatives have to date been focused on large sources of GHG emissions, such as electric power plants, it is possible that smaller sources such as our natural gas-powered compression units could become subject to GHG-related regulation. Depending on the particular program, we could be required to control emissions or to purchase and surrender allowances for GHG emissions resulting from our operations. The \$1 trillion legislative infrastructure package passed by Congress in November 2021 includes a number of climate-focused spending initiatives targeted at climate resilience, enhanced response and preparation for extreme weather events, and clean energy and transportation investments. The Inflation Reduction Act of 2022 also provides significant funding and incentives for research and development of low-carbon energy production methods, carbon capture, and other programs directed at addressing climate change.

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Independent of Congress, the EPA has promulgated regulations controlling GHG emissions under its existing CAA authority. The EPA has adopted rules requiring many facilities, including petroleum and natural gas systems, to inventory and report their GHG emissions. In addition, the EPA rules provide air permitting requirements for certain large sources of GHG emissions. The requirement for facilities and large sources of GHG emissions to obtain and comply with permits will affect some of our customers' largest new or modified facilities going forward but is not expected to cause us to incur material costs. As noted above, the EPA has undertaken efforts to regulate emissions of methane, considered a GHG, in the natural gas and oil sector, with the development of additional, more stringent rules under way.

In an executive order issued on January 20, 2021, President Biden asked the heads of all executive departments and agencies to review and take action to address any federal regulations, orders, guidance documents, policies and any similar agency actions promulgated during the prior administration that may be inconsistent with or present obstacles to the administration's stated goals of protecting public health and the environment, and conserving national monuments and refuges. The executive order also established an Interagency Working Group on the Social Cost of Greenhouse Gases, which is called on to, among other things, capture the full costs of GHG emissions, including the "social cost of carbon," "social cost of nitrous oxide" and "social cost of methane," which are "the monetized damages associated with incremental increases in greenhouse gas emissions," including "changes in net agricultural productivity, human health, property damage from increased flood risk, and the value of ecosystem services." The EPA published a draft report in September 2022 with the social cost of carbon at \$190 per metric ton of carbon dioxide emitted in 2020 at a 2% discount rate. That figure is intended to be used to guide federal decisions on the costs and benefits of various policies and approvals, although such efforts have been the subject of a series of judicial challenges. At this time, we cannot determine whether the administration's efforts on social cost or other interagency climate efforts will lead to any particular actions that give rise to a material adverse effect on our business, financial condition, results of operations and cash flows.

At the international level, the U.S. joined the international community at the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change in Paris, France ("COP21"), which resulted in an agreement intended to nationally determine their contributions and set GHG emission reduction goals every five years beginning in 2020 (the "Paris Agreement"). While the Paris Agreement did not impose direct requirements on emitters, national plans to meet its pledge could have resulted in new regulatory requirements. In April 2021, the current administration announced a new "nationally determined contribution" for U.S. GHG emissions that would achieve emissions reductions of at least 50% relative to 2005 levels by 2030. Those national commitments by themselves create no binding requirements on individual companies or facilities, but they do provide indications of the current administration's policy direction and the types of legislative and regulatory requirements—such as the EPA's proposed methane rules—that may be needed to achieve those commitments. Relatedly, the U.S. and European Union jointly announced the launch of the "Global Methane Pledge," which aims to cut global methane pollution at least 30% by 2030 relative to 2020 levels, including "all feasible reductions" in the energy sector. Since its formal launch at the 26th Conference of the Parties in Glasgow, Scotland, over 150 countries have joined the pledge. With the exception of those proposed EPA methane rules and related updates, which were announced by President Biden at COP26 and COP27, we cannot predict whether re-entry into the Paris Agreement or pledges made in connection therewith will result in any particular new regulatory requirements or whether such requirements will cause us to incur material costs. Additionally, the SEC issued a proposed rule in March 2022 that would mandate extensive disclosure of climate-related data, risks, and opportunities, including financial impacts, physical and transition risks, related governance and strategy, and GHG emissions, for certain public companies.

Although it is not currently possible to predict how these executive orders, national commitments or any proposed or future GHG or climate change legislation or regulation promulgated by Congress, the states or multi-state regions and their respective regulatory agencies will impact our business, any legislation or regulation of GHG emissions that may be imposed in areas in which we conduct business or on the assets we operate could result in increased compliance or operating costs or additional operating restrictions or reduced demand for our services, and could have a material adverse effect on our business, financial condition and results of operations.

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Apart from governmental regulation, there are also increasing financial risks for companies in the energy sector as stockholders and bondholders currently invested in energy companies may elect in the future to shift some or all of their investments toward non-fossil fuel energy sources. In recent years ESG goals and programs, which may include policies, practices and extralegal targets related to environmental stewardship, social responsibility, and corporate governance, have become an increasing focus of investors and stakeholders across the industry, and companies without robust ESG programs may find access to capital and investors more challenging in the future. For example, certain investment banks and asset managers based both domestically and internationally have announced that they are adopting climate change guidelines for their banking and investing activities. Institutional lenders who provide financing to energy companies such as ourselves have become more attentive to sustainable lending practices, and some may elect not to provide traditional energy producers or companies that support such producers with funding. ESG considerations may also affect others in the investment community, including investment advisers, sovereign wealth funds, public pension funds, insurance companies and other groups, and may result in their divestment of energy-related equities or otherwise limit their willingness to finance our or our customer's operations. Limitation of investments in and financings for energy companies could result in the restriction, delay or cancellation of infrastructure projects and energy production activities. This potential for reduced access to the capital and financial markets, whether impacting our customers and/or our company, may further adversely affect the demand for and price of our securities.

Furthermore, some scientists have concluded that increasing concentrations of GHGs in the earth's atmosphere are changing global climate patterns in a manner that results in significant weather-related effects, such as increased frequency and severity of storms, droughts, floods and other such events, in addition to more chronic changes such as shifting temperature, precipitation, and other meteorological patterns. Energy needs could increase or decrease as a result of extreme weather conditions depending on the duration and magnitude of any such climate changes. Increased energy use due to weather changes may require us to invest in additional equipment to serve increased demand. A decrease in energy use due to weather changes may affect our financial condition through decreased revenues. To the extent the frequency of extreme weather events increases, this could impact our operations in various ways, including damage to our facilities interruptions in service or supply chain, increased insurance premiums or increases to our cost of providing service. Such impacts may be proportionately more severe given the geographical concentration of our operations. Demand for our operations also depends in part on the volume of products being produced and/or transported by our customers, which may also be impacted by similar risks. If any of these results occur, it could have an adverse effect on our assets and operations and cause us to incur costs in preparing for and responding to them.

Litigation risks are also increasing as a number of parties have sought to bring suit against various natural gas and oil companies in state or federal court, alleging, among other things, that such companies created public nuisances by producing fuels that contributed to climate change or alleging that the companies have been aware of the adverse effects of climate change for some time but defrauded their investors or customers by failing to adequately disclose those impacts. Should we be targeted by any such litigation, we may incur liability, which, to the extent that societal pressures or political or other factors are involved, could be imposed without regard to causation or contribution to the asserted damage, or to other mitigating factors. Moreover, any such litigation targeting our customers could negatively impact their operation and, in turn, decrease demand for our operations. An unfavorable ruling in any such case could significantly impact our operations and could have an adverse impact on our financial condition.

In sum, any legislation, regulatory programs or social pressures related to climate change could increase our costs and require substantial capital, compliance, operating and maintenance costs, reduce demand for our services and reduce our access to financial markets. Current, as well as potential future, laws and regulations that limit emissions of GHGs or that otherwise promote the use of renewable energy over fossil fuel energy sources could increase the cost of our services and, thereby, further reduce demand and adversely affect our sales volumes, revenues and margins.

***Regulatory initiatives relating to the protection of endangered or threatened species in the United States could have an adverse impact on our and our customers' ability to expand operations.***

In the United States, the Endangered Species Act (the "ESA") restricts activities that may affect endangered or threatened species or their habitats. Similar protections are offered to migratory birds under the Migratory Bird Treaty Act (the "MBTA"). To the extent species that are listed under the ESA or similar state laws, or are protected under the MBTA, live in the areas where we or our customers operate, both our and our customers' abilities to conduct or expand operations and construct facilities could be limited or be forced to incur material additional costs.

The designation of previously unidentified endangered or threatened species or new critical or suitable habitat designations could indirectly cause us to incur additional costs, cause our or our customers' operations to become subject to operating restrictions or bans, and limit future development activity in affected areas. In June and July 2022, the U.S. Fish and Wildlife Service issued final rules rescinding Trump-era regulations concerning the definition of "habitat" and critical habitat exclusions. As a result of these rules, the potential designation of previously unprotected species as threatened or endangered or new critical or suitable habitat designations in areas where we or our customers might conduct operations could result in limitations or prohibitions on our operations and could adversely impact our business. There is also increasing interest in nature-related matters beyond protected species, such as general biodiversity, which may similarly require us or our customers to incur costs or take other measures which may adversely impact our business or operations.

***Increased regulation of hydraulic fracturing could result in reductions of, or delays in, natural gas and oil production by our customers, which could adversely impact our revenue.***

A significant portion of our customers' natural gas and oil production is developed from unconventional sources that require hydraulic fracturing as part of the completion process. Hydraulic fracturing involves the injection of water, sand and chemicals under pressure into the rock formation to stimulate gas production. The U.S. Congress has from time to time considered legislation to amend the Safe Drinking Water Act ("SDWA") to repeal the exemption for hydraulic fracturing from the definition of "underground injection" and require federal permitting and regulatory control of hydraulic fracturing, and disclosure of the chemical constituents of the fluids used in the fracturing process. Scrutiny of hydraulic fracturing activities continues in other ways, with the EPA having commenced a multi-year study of the potential environmental impacts of hydraulic fracturing. In December 2016, the EPA issued a report on the potential impacts of hydraulic fracturing on drinking water resources. The final report concluded that "water cycle" activities associated with hydraulic fracturing may impact drinking water resources "under some circumstances," noting that the following hydraulic fracturing water cycle activities and local- or regional-scale factors are more likely than others to result in more frequent or more severe impacts: water withdrawals for fracturing in times or areas of low water availability; surface spills during the management of fracturing fluids, chemicals or produced water; injection of fracturing fluids into wells with inadequate mechanical integrity; injection of fracturing fluids directly into groundwater resources; discharge of inadequately treated fracturing wastewater to surface waters; and disposal or storage of fracturing wastewater in unlined pits. To date, EPA has taken no further action in response to the December 2016 report. Under the federal Clean Water Act ("CWA"), the EPA also prohibits the discharge of wastewater from hydraulic fracturing and certain other natural gas operations to publicly owned wastewater treatment plants.

State and federal regulatory agencies have also recently focused on a possible connection between the operation of injection wells used for natural gas and oil waste disposal and seismic activity. Similar concerns have been raised that hydraulic fracturing may also contribute to seismic activity. When caused by human activity, such events are called induced seismicity. Developing research suggests that the link between seismic activity and wastewater disposal may vary by region, and that only a very small fraction of the tens of thousands of injection wells have been suspected to be, or have been, the likely cause of induced seismicity. In March 2016, the United States Geological Survey identified six states with the most significant hazards from induced seismicity, including Oklahoma, Kansas, Texas, Colorado, New Mexico and Arkansas, some of which are states where we

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operate. In light of these concerns, some state regulatory agencies have modified their regulations or issued orders to address induced seismicity. Increased regulation and attention given to induced seismicity could lead to greater opposition to, and litigation concerning, natural gas and oil activities utilizing hydraulic fracturing or injection wells for waste disposal, which could indirectly impact our business, financial condition and results of operations. In addition, these concerns may give rise to private tort suits against our customers from individuals who claim they are adversely impacted by seismic activity they allege was induced. Such claims or actions could result in liability to our customers for property damage, exposure to waste and other hazardous materials, nuisance or personal injuries, and require our customers to expend additional resources or incur substantial costs or losses. This could in turn adversely affect the demand for our services.

We cannot predict the future of any such legislation or tort liability. If additional levels of regulation, restrictions and permits were required through the adoption of new laws and regulations at the federal or state level or the development of new interpretations of those requirements by the agencies that issue the required permits, that could lead to operational delays, increased operating costs and process prohibitions that could reduce demand for our compression operations, which would materially adversely affect our revenue and results of operations.

### ***Increasing scrutiny and changing stakeholder expectations in respect of ESG and sustainability practices may impose additional costs or risks.***

In recent years, companies across all industries are facing increasing scrutiny from stakeholders related to their ESG and sustainability practices. A number of advocacy groups, both domestically and internationally, have campaigned for governmental and private action to promote change at public companies related to ESG matters, including increasing attention and demands for action related to climate change, promoting the use of substitutes to fossil fuel products and encouraging the divestment of companies in the fossil fuel industry. Investor advocacy groups, proxy advisory firms, certain institutional investors and lenders, investment funds and other influential investors and rating agencies are also increasingly focused on ESG and sustainability practices and matters and on the implications and social cost of their investments and loans. We have established a long-term strategy intended to meet ESG-related objectives, which currently includes certain sustainability targets. However, we cannot guarantee that this long-term strategy will meet our ESG-related objectives. Such initiatives are voluntary, not binding on our business or management and subject to change. We may determine in our discretion that it is not feasible or practical to implement or complete certain of our ESG-related initiatives, or to meet previously set goals and targets based on cost, timing or other considerations. If we do not adapt to or comply with investor or other stakeholder expectations and standards on ESG matters (or meet ESG-related goals and targets that we have set), as they continue to evolve, if we are perceived to have not responded appropriately or quickly enough to growing concern for ESG and sustainability issues, regardless of whether there is a regulatory or legal requirement to do so, or if estimates, assumptions, and/or third-party information we currently believe to be reasonable are subsequently considered erroneous or misinterpreted, we may suffer from reputational damage and our business, financial condition and/or stock price could be materially and adversely affected.

Further, our operations, projects and growth opportunities require us to have strong relationships with various key stakeholders, including our stockholders, employees, suppliers, customers, local communities and others. We may face pressures from stakeholders, many of whom are increasingly focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint and promote sustainability while at the same time remaining a successfully operating public company. If we do not successfully manage expectations across these varied stakeholder interests, it could erode our stakeholder trust and thereby affect our brand and reputation. Such erosion of confidence could negatively impact our business through decreased demand and growth opportunities, delays in projects, increased legal action and regulatory oversight, adverse press coverage and other adverse public statements, difficulty hiring and retaining top talent, difficulty obtaining necessary approvals and permits from governments and regulatory agencies on a timely basis and on acceptable terms and difficulty securing investors and access to capital. The occurrence of any of the foregoing could have a material adverse effect on our business and financial condition. In addition, we expect there will likely be increasing levels of regulation, disclosure-related and otherwise, with respect to ESG matters, which will likely lead to increase compliance costs as well as scrutiny

that could heighten all of the risks identified in this risk factor. Such ESG matters may also impact our suppliers or customers, which could augment existing or cause additional impacts to our business or operations.

*We may be involved in legal proceedings that could result in substantial liabilities.*

We are, from time to time, involved in various legal and other proceedings in the ordinary course of our business. Such legal proceedings are inherently uncertain and their results cannot be predicted. Regardless of the outcome, such proceedings could have an adverse impact on us because of legal costs, diversion of management and other personnel and other factors. In addition, it is possible that a resolution of one or more such proceedings could result in liability, penalties or sanctions, as well as judgments, consent decrees or orders requiring a change in our business practices, which could materially and adversely affect our business, operating results and financial condition. Accruals for such liability, penalties or sanctions may be insufficient. Judgments and estimates to determine accruals or range of losses related to legal and other proceedings could change from one period to the next, and such changes could be material.

**Risks Related to Intellectual Property, Information Technology and Cybersecurity**

*We may be sued by third parties for infringement, misappropriation, dilution or other violation of their intellectual property or proprietary rights.*

Third parties may in the future assert, that we have infringed, misappropriated or otherwise violated their intellectual property rights (“IPR”). Such claims and litigation may involve patent holding companies or other adverse IPR holders who have no relevant product revenue, and therefore our own IPR may provide little or no deterrence to these rights holders in bringing IPR claims against us. There may be IPR held by others, including issued or pending patents and trademarks, that cover significant aspects of our technologies, content, branding or business methods, and we cannot assure that we are not infringing, misappropriating or otherwise violating, and have not infringed, misappropriated or otherwise violated, any third-party IPR or that we will not be held to have done so or be accused of doing so in the future. We expect that we may receive in the future notices that claim we allegedly have infringed, misappropriated or otherwise violated other parties’ IPR. We cannot assure you that we will be able to detect potential or actual misappropriation or infringement of our IPR or trade secrets. Even if we detect misappropriation or infringement by a third party, we cannot assure you that we will be able to enforce our rights at a reasonable cost, or at all.

Any claim that we have infringed, misappropriated or otherwise violated IPR of third parties, with or without merit, and whether or not it results in litigation, is settled out of court or is determined in our favor, could be time-consuming and costly to address and resolve, and could divert the time and attention of management and technical personnel from our business. Furthermore, an adverse outcome of a dispute may result in an injunction and could require us to pay substantial monetary damages, including treble damages and attorneys’ fees, if we are found to have willfully infringed a party’s IPR. Any settlement or adverse judgment resulting from such a claim could require us to enter into a licensing agreement to continue using the technology, content or other IPR that is the subject of the claim; restrict or prohibit our use of such technology, or other IPR; require us to expend significant resources to redesign our technology or solutions; and require us to indemnify third parties if they become subject to third party claims relating to IPR that we license or otherwise provide to them, which could be costly. Royalty or licensing agreements, if required or desirable, may be unavailable on terms acceptable to us, or at all, and may require significant royalty payments and other expenditures. We may also be required to develop alternative non-infringing technology, which could require significant time and expense. There also can be no assurance that we would be able to develop or license suitable alternative technology, or other IPR to permit us to continue offering the affected technology. If we cannot develop or license technology for any allegedly infringing aspect of our business, we would be forced to limit our service and may be unable to compete effectively. In addition, our rights to IPR and trade secrets may not prevent independent third-party development and commercialization of competing products or services. Any of these events could materially harm our business, financial condition and results of operations.

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We may find it necessary or appropriate to initiate claims or litigation to enforce our IPR or determine the validity and scope of IPR claimed by others. In any lawsuit we bring to enforce our IPR, a court may refuse to stop the other party from using the technology at issue on grounds that our IPR do not cover the use or technology in question. Further, in such proceedings, the defendant could counterclaim that our IPR is invalid or unenforceable and the court may agree, in which case we could lose valuable IPR. Litigation is inherently uncertain and any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business and results of operations. If we fail to obtain, maintain, protect and enforce our intellectual property, our business and results of operations may be harmed.

***Our reliance on third-party components for use in our IT systems could result in delays in service or disrupt our business.***

Components of our information technology (“IT”) systems include various types of software and services licensed or provided from unaffiliated third parties, most of which we obtain on Software as a Service basis, without any ongoing support or maintenance obligations. Our business would be disrupted if any of the software or services we obtain from others or functional equivalents thereof were either no longer available to us or no longer offered on commercially reasonable terms, or if they fail and we cannot obtain maintenance and support on reasonable terms. In either case, we could be required to either redesign our IT systems to function with software or services available from other parties or develop these components ourselves, which could result in increased costs and could result in delays in services. Furthermore, we might be forced to limit the features available in our IT system due to changes by our third-party software and service providers, or due to price increases by such vendors. In addition, if we fail to maintain or renegotiate any of these software or service agreements, we could face significant delays and diversion of resources in attempting to obtain and integrate functional equivalents.

***We are subject to significant legal and reputational risks and expenses relating to the privacy, use and security of employee and customer information.***

We receive, maintain, and store the non-public personal information (“PII”) of our employees and customers. The sharing, use, disclosure and protection of this information are governed by the privacy and data security policies maintained by us. Moreover, there are federal and state laws and regulations regarding privacy and the storing, sharing, use, disclosure, and protection of PII and user data. Specifically, PII is increasingly subject to legislation and regulations in numerous jurisdictions, the intent of which is to protect the privacy of personal information that is collected, processed and transmitted in or from the governing jurisdiction. California enacted a privacy law (the “California Consumer Privacy Act” or “CCPA”) which limits how we may collect and use PII, and which came into effect on January 1, 2020. In addition, California enacted, effective January 1, 2023, a privacy law, the California Privacy Rights Act (the “CPRA”), which significantly modifies the CCPA, including by expanding consumers’ rights with respect to certain PII and creating a new state agency to oversee implementation and enforcement efforts. There are more states considering similar privacy laws. We could be adversely affected if the CCPA, CPRA and other states’ legislation or regulations require changes in our business practices or privacy policies, or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our business, financial condition and results of operations.

***We have experienced cybersecurity incidents or IT system disruptions in the past, and cybersecurity breaches or IT system disruptions may adversely affect our business in the future.***

We rely on our IT systems to operate and record a significant portion of our business. This may include confidential or PII belonging to us, our employees, customers, suppliers, or others. Similar to other companies, our systems and networks, and those of third parties with whom we do business, may be subject to cybersecurity breaches caused by, among other things, illegal hacking, insider threats, computer viruses, phishing, malware, ransomware, or acts of vandalism or terrorism, or those perpetrated by criminals or nation-state actors. Furthermore, we may also experience increased cybersecurity risk as some of our personnel continue to work remotely as a result of the ongoing COVID-19 pandemic. We have experienced cyber incidents in the past,

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although none have been material or had a material adverse effect on our business or financial condition. We may experience cybersecurity incidents and security breaches in the future. In addition to our own systems and networks, we use third-party service providers to process certain data or information on our behalf. Due to applicable laws and regulations, we may be held responsible for cybersecurity incidents attributed to our service providers to the extent it relates to information we share with them. Although we seek service providers that implement and maintain reasonable security measures, we cannot control third parties and cannot guarantee that a security breach will not occur in their systems or networks.

Despite our efforts to continually refine our procedures, educate our employees, and implement tools and security measures to protect against such cybersecurity risks, there can be no assurance that these measures will prevent unauthorized access or detect every type of attempt or attack. Our potential future upgrades, refinements, tools and measures may not be completely effective or result in the anticipated improvements, if at all, and may cause disruptions in our IT systems. In addition, despite our best efforts, a cyberattack or security breach could go undetected for an extended period of time, and the ensuing investigation of the incident would take time to complete. During that period, we would not necessarily know the impact to our IT systems, or the costs and actions required to fully remediate and our initial remediation efforts may not be successful. Additionally, a cyberattack or security breach could be repeated before they are fully contained and remediated. A breach or failure of our systems or networks, critical third-party systems on which we rely, or those of our customers or suppliers, could result in an interruption in our operations, unplanned capital expenditures, unauthorized publication of our confidential business or proprietary information, unauthorized release of customer, employee or third party data, theft or misappropriation of funds, violation of privacy or other laws, and exposure to litigation or indemnity claims including resulting from customer-imposed cybersecurity controls or other related contractual obligations. There could also be increased costs to detect, prevent, respond or recover from cybersecurity incidents. Any such breach, or our delay or failure to make adequate or timely disclosures to the public, regulatory or law enforcement agencies or affected individuals following such an event, could have a material adverse effect on our business, reputation, financial position, results of operations and cash flows and cause reputational damage.

***Our ability to manage our business and monitor our results is highly dependent upon information and communication systems, and a failure of these systems or our enterprise resource planning (“ERP”) system could disrupt our business.***

We are dependent upon a variety of information and communication systems to operate our business, including our ERP system. Any disruptions, delays or deficiencies in these systems, or in the design or implementation of any new ERP system, could adversely affect our ability to effectively run and manage information. Further, we depend on our ability to gather and promptly transmit accurate information to key decision makers, and our business, results of operations and financial condition may be adversely affected if our information systems fail, even for a short period of time. Failure to properly or adequately address these issues could impact our ability to perform necessary business operations, which could adversely affect our reputation, competitive position, business, results of operations and financial condition.

***We may not realize the intended benefits of our process and technology transformation projects, which could have an adverse effect on our business.***

In 2022, we began two process and technology transformation projects, which will, among other things, replace our existing human capital management platform and consolidate several systems onto a single ERP system. The implementation of the process and technology transformation projects will require human capital and other resources from which we may not realize the benefits we expect to realize. Any such difficulties could have an adverse effect on our business, results of operations and financial condition.



## **Risks Related to Our Indebtedness**

### ***Our substantial indebtedness could adversely affect our financial condition.***

We have a significant amount of indebtedness. As of December 31, 2022, after giving effect to this offering and the use of proceeds therefrom, our total long-term debt was approximately \$ \_\_\_\_\_ in aggregate principal amount.

Subject to the limits contained in the ABL Credit Agreement, we may be able to incur substantial additional debt from time to time to finance working capital, capital expenditures, investments or acquisitions, dividends or for other purposes. If we do so, the risks related to our substantial indebtedness could intensify. Specifically, our substantial indebtedness could have important consequences, including the following:

- making it more difficult for us to satisfy our obligations with respect to our debt;
- limiting our ability to obtain additional financing to fund future working capital, capital expenditures, acquisitions or other general company requirements on favorable terms or at all;
- requiring a substantial portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available for working capital, capital expenditures, acquisitions, future business opportunities and other general purposes;
- increasing our vulnerability to general adverse economic and industry conditions;
- exposing us to the risk of increased interest rates as certain of our borrowings, including borrowings under the ABL Credit Agreement, are at variable rates of interest;
- limiting our flexibility in planning for and reacting to changes in the industry in which we compete;
- consequences relating to adverse borrowing base redeterminations;
- placing us at a disadvantage compared to other, less leveraged competitors; and
- increasing our cost of borrowing.

In addition, our ability to refinance our indebtedness prior to maturity is dependent on the condition of the capital and credit markets and our financial condition. We can provide no assurance that we will be able to refinance our indebtedness or that any indebtedness incurred to refinance our indebtedness will be on comparable terms. See “—We may be unable to access the capital and credit markets or borrow on affordable terms to obtain additional capital that we may require.”

### ***The terms of the ABL Credit Agreement restrict our current and future operations, particularly our ability to respond to changes or to take certain actions.***

The ABL Credit Agreement contains restrictive covenants (which contain a number of exceptions and qualifications that may be material) that impose significant operating and financial restrictions on us and may limit our ability to engage in acts that may be in our long-term best interest, including restrictions on our ability to:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends or make other distributions or repurchase or redeem equity interests;
- prepay, redeem or repurchase certain debt;
- issue certain preferred units or similar equity securities;
- make loans and investments;
- sell, transfer or otherwise dispose of assets;

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- incur liens;
- enter into transactions with affiliates;
- enter into agreements restricting our restricted subsidiaries' ability to pay dividends;
- enter into certain swap agreements;
- amend certain organizational documents;
- enter into sale and leaseback transactions; and
- consolidate, merge or sell all or substantially all of our assets.

In addition, the ABL Credit Agreement contains certain operating and financial covenants and requires us to maintain specified financial ratios and satisfy other financial condition tests. Our ability to comply with those covenants and meet those financial ratios and tests can be affected by events beyond our control, and we may be unable to meet them. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Description of Indebtedness" for further information about these covenants.

A breach of the covenants or restrictions under the ABL Credit Agreement could result in an event of default. Such a default may allow the creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In addition, an event of default under the ABL Credit Agreement would permit the lenders under the ABL Credit Agreement to terminate all commitments to extend further credit under that facility. Furthermore, if we were unable to repay the amounts due and payable under the ABL Credit Agreement, those lenders could proceed against the collateral granted to them to secure that indebtedness. In the event our lenders accelerate the repayment of our borrowings, we and our subsidiaries may not have sufficient assets to repay that indebtedness. As a result of these restrictions, we may be:

- limited in how we conduct our business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns; or
- unable to compete effectively or to take advantage of new business opportunities.

These restrictions may affect our ability to grow in accordance with our strategy. In addition, our financial results, our substantial indebtedness and our credit ratings could adversely affect the availability and terms of our financing.

***Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.***

Borrowings under the ABL Credit Agreement are at variable rates of interest and expose us to interest rate risk. If interest rates were to continue to increase, our debt service obligations on the variable rate indebtedness would increase even though the amount borrowed remained the same, and our net income and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. We have in the past entered into, and in the future may enter into, interest rate swaps that involve the exchange of floating for fixed rate interest payments to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk.

### **General Risks**

***A financial crisis or deterioration in general economic, business or industry conditions could materially adversely affect our results of operations, financial condition and ability to pay dividends on our common stock.***

Concerns over global economic conditions, stock market volatility, energy costs, geopolitical issues, inflation and U.S. Federal Reserve interest rate increases in response, the availability and cost of credit, and slowing of economic growth in the United States and fears of a recession have contributed and may continue to contribute to economic uncertainty and diminished expectations for the global economy.

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Concerns about global economic growth can result in a significant adverse impact on global financial markets and commodity prices. In addition, any financial crisis may cause us to face limitations on our ability to borrow under our debt agreements, service our debt obligations, access the debt and equity capital markets and complete asset purchases or sales and may cause increased counterparty credit risk on our derivative instruments and such counterparties to cause us to post collateral guaranteeing performance.

Further, if there is a financial crisis or the economic climate in the United States or abroad deteriorates, worldwide demand for natural gas or oil could materially decrease, which would likely depress the level of production activity and result in a decline in the demand for our compression operations and ultimately materially adversely impact our results of operations and financial condition. If a material adverse change occurs in our business such that an event of default occurs under our debt agreements, the lenders under such agreements may be able to accelerate the maturity of our debt.

***Events outside of our control, including an epidemic or outbreak of an infectious disease or the threat thereof, could have a material adverse effect on our business, liquidity, financial condition, results of operations, cash flows and ability to pay dividends on our common stock.***

We face risks related to pandemics, epidemics, outbreaks or other public health events, or the threat thereof, that are outside of our control, and could significantly disrupt our business and operational plans and adversely affect our liquidity, financial condition, results of operations, cash flows and ability to pay dividends on our common stock. The COVID-19 pandemic has adversely affected the global economy and has resulted in unprecedented governmental actions in the United States and countries around the world, including, among other things, social distancing guidelines, travel restrictions and stay-at-home orders, among other actions, which caused a significant decrease in activity in the global economy and the demand for oil, and to a lesser extent, natural gas.

The nature, scale and scope of the above-described events, combined with the uncertain duration and extent of governmental actions, prevent us from identifying all potential risks to our business.

***Inflation may adversely affect us by increasing costs beyond what we can recover through price increases and limit our ability to enter into future traditional debt financing.***

Inflation has adversely affected us by increasing costs of critical components, equipment, labor and other services we may rely on, and continued inflationary pressures could prevent us from operating at capacity, decreasing our revenues or having an adverse effect on our profitability. In addition, inflation is often accompanied by higher interest rates. Such higher interest rates may affect our ability to enter into future traditional debt financing, as high inflation may result in an increase in cost to borrow.

Although inflation in the United States had been relatively low for many years, there was a significant increase in inflation beginning in the second half of 2021, which has continued into 2022, due to a substantial increase in the money supply, a stimulation focused fiscal policy, a significant rebound in consumer demand as COVID-19 restrictions were relaxed, the Russian-Ukrainian conflict and worldwide supply chain disruptions resulting from the economic contraction caused by COVID-19 and lockdowns followed by a rapid recovery. Between June 2021 and December 2022, the Consumer Price Index for all urban consumers (a widely used measure of inflation) rose 10.5%, and the Producer Price Index for Industrial Commodities rose 12.2%.

***A deterioration in general economic, business, geopolitical or industry conditions could materially adversely affect our results of operations, financial condition and cash flows.***

Concerns over global economic conditions, energy costs, geopolitical issues, including the conflict between Russia and Ukraine, the impacts of the COVID-19 pandemic, inflation, the availability and cost of credit and slow economic growth in the United States have contributed to general economic uncertainty and diminished expectations for the global economy. Additionally, acts of protest and civil unrest have caused economic and

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political disruption in the United States. Meanwhile, continued hostilities in Europe and the Middle East and the occurrence or threat of terrorist attacks in the United States or other countries could adversely affect the economies of the United States and other countries. If the economic climate in the United States or abroad deteriorates, worldwide demand for energy could destabilize, which could materially adversely affect our and our customers' operations, financial condition and cash flows.

### ***Our ability to use NOLs to offset future income may be limited.***

Our ability to use any NOLs generated by us could be substantially limited if we were to experience an "ownership change" as defined under Section 382 of the Code. In general, an "ownership change" would occur if our "5-percent stockholders," as defined under Section 382 of the Code, including certain groups of persons treated as "5-percent stockholders," collectively increased their ownership in us by more than 50 percentage points over a rolling three-year period. An ownership change can occur as a result of a public offering of our common stock, as well as through secondary market purchases of our common stock and certain types of reorganization transactions. Such a limitation could, for any given year, have the effect of increasing the amount of our U.S. federal income tax liability, which would negatively impact our financial condition and the amount of after-tax cash available for distribution to our stockholders.

### ***Tax legislation and administrative initiatives or challenges to our tax positions could adversely affect our results of operations and financial condition.***

We operate in locations throughout the U.S. and, as a result, we are subject to the tax laws and regulations of U.S. federal, state and local governments. From time to time, various legislative or administrative initiatives may be proposed that could adversely affect our tax positions. There can be no assurance that our tax provision or tax payments will not be adversely affected by these initiatives. In addition, U.S. federal, state and local tax laws and regulations are extremely complex and subject to varying interpretations. There can be no assurance that our tax positions will not be challenged by relevant tax authorities or that we would be successful in any such challenge.

### **Risks Related to this Offering and Owning Our Common Stock**

#### ***EQT controls a significant percentage of our voting power.***

Upon completion of this offering, Kodiak Holdings will own approximately \_\_\_\_\_ % of our outstanding common stock (or \_\_\_\_\_ % of our common stock if the underwriters exercise in full their option to purchase additional shares of common stock). Frontier GP is the general partner of Kodiak Holdings. Investment vehicles affiliated with EQT own 100% of the membership interests in Frontier GP, and EQT indirectly has exclusive responsibility for the management and control of such investment vehicles. As such, EQT indirectly has the power to control the business and affairs of Kodiak Holdings. In addition, certain of our directors are currently employed by EQT. Consequently, EQT will be able to influence matters that require approval by our stockholders, including the election and removal of directors, changes to our organizational documents and approval of acquisition offers and other significant corporate transactions. This concentration of ownership will limit your ability to influence corporate matters, and as a result, actions may be taken that you may not view as beneficial. This concentration of stock ownership may also adversely affect the trading price of our common stock to the extent investors perceive a disadvantage in owning stock of a company with a controlling stockholder.

Furthermore, our Stockholders' Agreement provides that certain corporate actions require the approval of Kodiak Holdings, including amendments to our organizational documents, equity issuances, incurrence of certain indebtedness, changing the size of our board of directors, dispositions of assets, modifying our dividend policy, consummating a change of control transaction or entering into voluntary liquidation or the commencement of bankruptcy proceedings. After the completion of this offering, EQT will be subject to contractual restrictions that may affect Kodiak Holdings' exercise of its rights to approve corporate actions under the Stockholders' Agreement. See "Certain Relationships and Related Party Transactions—Stockholders' Agreement."

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***After the completion of this offering, EQT will be subject to contractual restrictions that may affect Kodiak Holdings' exercise of its rights to approve corporate actions under the Stockholders' Agreement.***

In connection with the closing of this offering, we will enter into a Stockholders' Agreement with Kodiak Holdings, which will grant Kodiak Holdings rights to approve certain of our corporate actions, including, among other things, amendments to our organizational documents, equity issuances, incurrence of certain indebtedness, changing the size of our board of directors, dispositions of assets, modifying our dividend policy, consummating a change of control transaction or entering into voluntary liquidation or the commencement of bankruptcy proceedings. In connection with the closing of this offering, Kodiak Holdings will pledge the shares it owns in us as collateral under the Holdco Term Loan and will grant the lender thereunder certain consent rights over Kodiak Holdings' exercise of its rights under the Stockholders' Agreement. The lender under the Holdco Term Loan has different interests than our stockholders and may exercise these consent rights in ways that are adverse to the interests of our stockholders. For further information regarding the Stockholders' Agreement and Kodiak Holdings' consent rights thereunder, see "Certain Relationships and Related Party Transactions—Kodiak Holdings—Stockholders' Agreement."

***EQT may have interests that conflict with the interests of our other stockholders. Certain of our directors may also have conflicts of interest because they are also employees of EQT, investment advisors to EQT managed funds or directors or officers of EQT. The resolution of these conflicts of interest may not be in our or your best interests.***

EQT may have interests that conflict with the interests of our other stockholders. In connection with the closing of this offering, EQT will pledge its shares in us as collateral under the Holdco Term Loan. Pursuant to the Holdco Term Loan, EQT will be limited from taking or causing its subsidiaries from approving or taking certain actions without the consent of the lender, including amending organizational documents, authorizing equity issuances in excess of certain thresholds, incurring indebtedness for borrowed money (other than indebtedness under our ABL Facility, certain working capital and ordinary course financings, and indebtedness otherwise permitted by the ABL Facility (other than certain unsecured debt)), materially modifying our dividend policy, entering into certain affiliate transactions or entering into a voluntary liquidation or the commencement of bankruptcy proceedings. These restrictions are consistent with the consent rights held by Kodiak Holdings under the Stockholders' Agreement. For further information regarding the Stockholders' Agreement and such consent rights, see "Certain Relationships and Related Party Transactions—Kodiak Holdings—Stockholders' Agreement."

In addition, certain of our directors may also have conflicts of interest because they are also employees of EQT, investment advisors to EQT managed funds or directors or officers of EQT. These positions may conflict with such individuals' duties as one of our directors or officers regarding business dealings and other matters between EQT and us. The resolution of these conflicts may not always be in our or your best interest.

***Upon the listing of our shares on the NYSE, we will be a "controlled company" within the meaning of the rules of the NYSE and, as a result, will qualify for, but do not currently intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.***

Upon completion of this offering, Kodiak Holdings will directly control (and EQT will indirectly control) a majority of our voting power. As a result, we will be a "controlled company" within the meaning of the NYSE corporate governance standards. Under the NYSE rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and need not comply with certain requirements, including the requirement that a majority of the board of directors consist of independent directors and the requirements that our compensation and nominating and governance committees be composed entirely of independent directors. Following this offering, we do not intend to utilize these exemptions. However, for so long as we qualify as a "controlled company," we will maintain the option to utilize some or all of these exemptions. If we

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utilize these exemptions, we may not have a majority of independent directors and our compensation and nominating and governance committees may not consist entirely of independent directors, and such committees will not be subject to annual performance evaluations. Accordingly, in the event we elect to rely on these exemptions in the future, you would not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE. See “Management—Controlled Company Status.”

***EQT is not limited in its ability to compete with us, and the corporate opportunity provisions in our charter could enable EQT to benefit from corporate opportunities that may otherwise be available to us.***

EQT may invest in other companies in the future that may compete with us. Conflicts of interest could arise in the future between us, on the one hand, and EQT, on the other hand, concerning among other things, potential competitive business activities or business opportunities.

Our charter will provide that, to the fullest extent permitted by applicable law, we renounce any interest or expectancy in any business opportunity that involves any aspect of the energy equipment or services business or industry and that may be from time to time presented to EQT or any of our directors or officers who is also an employee, partner, member, manager, officer or director of EQT or any affiliate of EQT, even if the opportunity is one that we might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so. Our charter will further provide that no such person or party shall be liable to us by reason of the fact that such person pursues any such business opportunity or fails to offer any such business opportunity to us. As a result, any of our directors or officers who is also an employee, partner, member, manager, officer or director of EQT or any affiliate of EQT may become aware, from time to time, of certain business opportunities, such as acquisition opportunities, and may direct such opportunities to other businesses in which they have invested, in which case we may not become aware of or otherwise have the ability to pursue such opportunity. Further, such businesses may choose to compete with us for these opportunities. As a result, by renouncing our interest and expectancy in any business opportunity that may be from time to time presented to any member of EQT or an affiliate of EQT or any of our directors or officers who is also an employee, partner, member, manager, officer or director of EQT or any affiliate of EQT, our business or prospects could be adversely affected if attractive business opportunities are procured by such parties for their own benefit rather than for ours. Our charter will provide that any amendment to or adoption of any provision inconsistent with our charter’s provisions governing the renouncement of business opportunities must be approved by the holders of at least % of the voting power of the outstanding stock of the corporation entitled to vote thereon. See “Description of Capital Stock—Renouncement of Business Opportunities” for more information. Any actual or perceived conflicts of interest with respect to the foregoing could have an adverse impact on the trading price of our common stock.

***The requirements of being a public company, including compliance with the reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the requirements of the Sarbanes-Oxley Act of 2002 (“SOX”) and the NYSE, may strain our resources, increase our costs and distract management, and we may be unable to comply with these requirements in a timely or cost-effective manner.***

As a public company, we will need to comply with new laws, regulations and requirements, certain corporate governance provisions of SOX, related regulations of the SEC and the requirements of the NYSE, with which we are not required to comply as a private company. Complying with these statutes, regulations and requirements will occupy a significant amount of time of our board of directors and management and will significantly increase our costs and expenses. We will need to:

- institute a more comprehensive compliance function;
- comply with rules promulgated by the NYSE;
- continue to prepare and distribute periodic public reports in compliance with our obligations under the federal securities laws;
- establish new internal policies, such as those relating to insider trading; and
- involve and retain to a greater degree outside counsel and accountants in the above activities.

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In addition, we expect that being a public company subject to these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating these rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

Furthermore, while we generally must comply with Section 404 of SOX, we are not required to have our independent registered public accounting firm attest to the effectiveness of our internal controls until our first annual report subsequent to our ceasing to be an “emerging growth company.” We may not be required to have our independent registered public accounting firm attest to the effectiveness of our internal controls until as late as our annual report for the year ending December 31, 2028. At any time, we may conclude that our internal controls, once tested, are not operating as designed or that the system of internal controls does not address all relevant financial statement risks. Once required to attest to control effectiveness, our independent registered public accounting firm may issue a report that concludes it does not believe our internal controls over financial reporting are effective. Compliance with SOX requirements may strain our resources, increase our costs and distract management, and we may be unable to comply with these requirements in a timely or cost-effective manner.

***There is no existing market for our common stock, and a trading market that will provide you with adequate liquidity may not develop. The price of our common stock may fluctuate significantly, and you could lose all or part of your investment.***

Prior to this offering, there has been no public market for our common stock. After this offering, there will be only \_\_\_\_\_ publicly traded shares of common stock held by our public common stockholders (\_\_\_\_\_ shares of common stock if the underwriters exercise in full their option to purchase additional shares of common stock). Kodiak Holdings will own \_\_\_\_\_ shares of common stock, representing an aggregate \_\_\_\_\_ % of outstanding shares of our common stock. We do not know the extent to which investor interest will lead to the development of an active trading market or how liquid that market might become. If an active trading market does not develop, you may have difficulty reselling any of our common stock at or above the initial public offering price. Additionally, the lack of liquidity may result in wide bid-ask spreads, contribute to significant fluctuations in the market price of the common stock and limit the number of investors who are able to buy the common stock.

The initial public offering price for the common stock offered hereby will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of the market price of the common stock that will prevail in the trading market. Consequently, you may not be able to sell shares of our common stock at prices equal to or greater than the price paid by you in this offering.

The following is a non-exhaustive list of factors that could affect our stock price:

- our operating and financial performance;
- quarterly variations in the rate of growth of our financial indicators, such as net income per share, net income and revenues;
- the public reaction to our press releases, our other public announcements and our filings with the SEC;
- strategic actions by our competitors;
- our failure to meet revenue or earnings estimates by research analysts or other investors;
- changes in revenue or earnings estimates, or changes in recommendations or withdrawal of research coverage, by equity research analysts;
- speculation in the press or investment community;
- the failure of research analysts to cover our common stock;

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- sales of our common stock by us or other stockholders, or the perception that such sales may occur;
- changes in accounting principles, policies, guidance, interpretations or standards;
- additions or departures of key management personnel;
- actions by our stockholders;
- general market conditions, including fluctuations in commodity prices;
- domestic and international economic, legal and regulatory factors unrelated to our performance; and
- the realization of any risks described under this “Risk Factors” section.

The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock. Securities class action litigation has often been instituted against companies following periods of volatility in the overall market and in the market price of a company’s securities. Such litigation, if instituted against us, could result in substantial costs, divert our management’s attention and resources and harm our business, operating results and financial condition.

***If securities or industry analysts do not publish research reports or publish unfavorable research about our business, the price and trading volume of our common stock could decline.***

The trading market for our common stock will depend in part on the research reports that securities or industry analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of us, the trading price for our common stock and other securities would be negatively affected. In the event we obtain securities or industry analyst coverage, and one or more of the analysts who covers us downgrades our securities, the price of our securities would likely decline. If one or more of these analysts ceases to cover us or fails to publish regular reports on us, interest in the purchase of our securities could decrease, which could cause the price of our common stock and other securities and their trading volume to decline.

***Our charter and bylaws will contain provisions that could delay, discourage or prevent a takeover attempt even if a takeover might be beneficial to our stockholders, and such provisions may adversely affect the market price of our common stock.***

Provisions that will be contained in our charter and bylaws could make it more difficult for a third party to acquire us. Our charter and bylaws will also impose various procedural and other requirements, which could make it more difficult for stockholders to effect certain corporate actions. For example, our charter will authorize our board of directors to determine the rights, preferences, privileges and restrictions of unissued series of preferred stock without any vote or action by our stockholders. Thus, our board of directors can authorize and issue shares of preferred stock with voting or conversion rights that could adversely affect the voting or other rights of holders of our capital stock. These rights may have the effect of delaying or deterring a change of control of our company. Additionally, for example, our bylaws will (i) establish limitations on the removal of directors and on the ability of our stockholders to call special meetings, (ii) include advance notice requirements for nominations for election to our board of directors and for proposing matters that can be acted upon at stockholder meetings, (iii) provide that our board of directors is expressly authorized to adopt, or to alter or repeal, our bylaws, and (iv) provide for a classified board of directors, consisting of three classes of approximately equal size, each class serving staggered three-year terms, so that only approximately one-third of our directors will be elected each year.

See “Description of Capital Stock—Anti-Takeover Effects of Provisions of Our Charter, Our Bylaws and Delaware Law.” These provisions could limit the price that certain investors might be willing to pay in the future for shares of our common stock.



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***Our charter will designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.***

Our charter will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL"), our charter or our bylaws, or (iv) any action asserting a claim against us that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein. Notwithstanding the foregoing sentence, the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause of action arising under U.S. federal securities laws, including the Securities Act and the Exchange Act. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and consented to, the provisions of our charter described in the preceding sentences. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees or agents, which may discourage such lawsuits against us and such persons. Alternatively, if a court were to find these provisions of our charter inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

***Investors in this offering will experience immediate and substantial dilution of \$ \_\_\_\_\_ per share.***

Based on an assumed initial public offering price of \$ \_\_\_\_\_ per share (the midpoint of the price range set forth on the cover of this prospectus), purchasers of our common stock in this offering will experience an immediate and substantial dilution of \$ \_\_\_\_\_ per share in the net tangible book value per share of common stock from the initial public offering price, and our historical and pro forma net tangible book deficit as of December 31, 2022 would be \$ \_\_\_\_\_ per share. See "Dilution."

***We cannot assure you that we will be able to pay dividends on our common stock.***

After completion of this offering, our board of directors may elect to declare cash dividends on our common stock, subject to our compliance with applicable law, and depending on, among other things, economic conditions, our financial condition, results of operations, projections, liquidity, earnings, legal requirements, and restrictions in the agreements governing our indebtedness (as further discussed below). The declaration and amount of any future dividends is subject to the discretion of our board of directors and we have no obligation to pay any dividends at any time. We have not adopted, and do not currently expect to adopt, a written dividend policy. Our ability to pay dividends depends on our receipt of cash dividends from our operating subsidiaries, which may further restrict our ability to pay dividends as a result of the laws of their jurisdiction of organization, agreements of our subsidiaries or covenants under any existing and future outstanding indebtedness we or our subsidiaries incur. See Note 7 ("Debt and Credit Facilities") to our Consolidated Financial Statements.

Our ABL Facility contains restrictions on the payment of dividends. Such restrictions allow us to pay dividends after the completion of this offering only when (1) no default or event of default has occurred and is continuing or would result after giving effect to such dividends, (2) availability under the borrowing base under the ABL Facility exceeds the greater of (x) 10% of the total commitments under the facility of \$2.2 billion or (y) \$200 million and (3) we are in compliance with the financial covenants under the ABL Facility applicable at such time. Such covenants provide that, after the completion of this offering, (1) we maintain an interest coverage ratio of at least 2.50 to 1.00 and (2) we maintain a leverage ratio not to exceed (i) 5.50 to 1.00 for the fiscal

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quarters through June 30, 2023, (ii) 5.25 to 1.00 for the fiscal quarters thereafter through December 31, 2023, (iii) 5.00 to 1.00 for the fiscal quarter ended March 31, 2024, (iv) 4.75 to 1.00 for the fiscal quarter ended June 30, 2024 and (v) 4.50 to 1.00 for each fiscal quarter thereafter. In the event we issue certain unsecured debt after the completion of this offering, we must (1) maintain an unsecured leverage ratio not to exceed 5.75 to 1.00 for the first four fiscal quarters after such issuance and 5.25 to 1.00 for each fiscal quarter thereafter and (2) maintain a secured leverage ratio not to exceed 3.50 to 1.00 for the first four fiscal quarters after such issuance and 3.00 to 1.00 for each fiscal quarter thereafter.

Due to the foregoing, we cannot assure you that we will be able to pay a dividend in the future or continue to pay a dividend after we commence paying dividends.

***Future sales of our common stock in the public market could reduce our stock price, and any additional capital raised by us through the sale of equity or convertible securities may dilute your ownership in us.***

We may sell additional shares of common stock in subsequent public offerings. We may also issue additional shares of common stock or convertible securities. After the completion of this offering, we will have outstanding \_\_\_\_\_ shares of our common stock and Kodiak Holdings will own \_\_\_\_\_ shares of our common stock or approximately \_\_\_\_\_ % of our total outstanding shares, all of which are restricted from immediate resale under the federal securities laws and are subject to the lock-up agreements with the underwriters described in “Underwriting” but may be sold into the market in the future. See “Shares Eligible for Future Sale.” Kodiak Holdings and certain of our other stockholders will be party to a registration rights agreement (as described in “Certain Relationships and Related Party Transactions—Registration Rights Agreement”), which, among other things, requires us, in certain circumstances, to register \_\_\_\_\_ shares of common stock no earlier than the expiration of the lock-up period contained in the underwriting agreement entered into in connection with this offering. Additionally, \_\_\_\_\_ shares held by our employees and others will be eligible for sale at various times and subject to a 180-day lock-up agreement contained in our existing stockholders agreement, including shares eligible for sale upon exercise of vested options, after the date of this prospectus pursuant to the provisions of Rule 144.

In connection with this offering, we intend to file a registration statement with the SEC on Form S-8 providing for the registration of shares of our common stock issued or reserved for issuance under our equity incentive plan. Subject to the satisfaction of vesting conditions, the expiration of lock-up agreements and the requirements of Rule 144, shares registered under the registration statement on Form S-8 will be available for resale immediately in the public market without restriction.

We cannot predict the size of future issuances of our common stock or securities convertible into common stock or the effect, if any, that future issuances and sales of shares of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including shares issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices of our common stock.

***Terms of subsequent financings may adversely impact stockholder equity.***

If we raise more equity capital from the sale of common stock, such equity could be offered at a price more favorable than the then current market price of our common stock. If we issue debt securities, the holders of the debt would have a claim to our assets that would be prior to the rights of stockholders until the debt is paid. Interest on these debt securities would increase costs and could negatively impact our operating results.

In accordance with Delaware law and the provisions of our certificate of incorporation and Stockholders’ Agreement, we may issue one or more classes or series of preferred stock that ranks senior in right of dividends, liquidation or voting to our common stock. Preferred stock may have such designations, preferences, limitations and relative rights, including preferences over our common stock respecting dividends and distributions, as our

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board of directors may determine, and the issuance of preferred stock would dilute the ownership of our existing stockholders. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of the common stock. The terms of any series of preferred stock may also reduce or eliminate the amount of cash available for payment of dividends to our holders of common stock or subordinate the claims of our holders of common stock to our assets in the event of our liquidation. Our common stock will not be subject to redemption or sinking fund provisions.

***The underwriters of this offering may waive or release parties to the lock-up agreements entered into in connection with this offering, which could adversely affect the price of our common stock.***

Prior to this offering, we, all of our directors and executive officers and Kodiak Holdings will enter into lock-up agreements with respect to their common stock, pursuant to which they are subject to certain resale restrictions for a period of 180 days following the effectiveness date of the registration statement of which this prospectus forms a part. Any two of Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC or Barclays Capital Inc. may, at any time and without notice, release all or any portion of the common stock subject to the foregoing lock-up agreements. If the restrictions under the lock-up agreements are waived, then common stock will be available for sale into the public markets, which could cause the market price of our common stock to decline and impair our ability to raise capital.

***A significant reduction by Kodiak Holdings of its ownership interests in us could adversely affect us.***

We believe that Kodiak Holdings' substantial ownership interest in us provides them with an economic incentive to assist us to be successful. Upon the expiration or earlier waiver of the lock-up restrictions on transfers or sales of our securities following the completion of this offering, Kodiak Holdings will not be subject to any obligation to maintain its ownership interest in us and may elect at any time thereafter to sell all or a substantial portion of or otherwise reduce its ownership interest in us. If Kodiak Holdings sells all or a substantial portion of its ownership interest in us, it may have less incentive to assist in our success and its affiliates that are expected to serve as members of our board of directors may resign.

Furthermore, the shares that Kodiak Holdings owns are subject to a pledge as collateral under the Holdco Term Loan. In the event that Kodiak Holdings is subject to a continuing event of default under the Holdco Term Loan, after the expiration of any applicable grace period and subject to the exercise of applicable cure rights, the lender may foreclose on such shares and acquire a controlling interest in us. In such case, the lender would assume Kodiak Holdings' rights under the Stockholders' Agreement and would thereafter have consent rights over many aspects of our business, including any modifications to our dividend policy and the ability to nominate directors, as more fully described under "Certain Relationships and Related Party Transactions—Kodiak Holdings—Stockholders' Agreement." The lender under the Holdco Term Loan may have different interests than Kodiak Holdings and may have interests that are different from, or conflict with, those of our other stockholders.

Such actions could adversely affect our ability to successfully implement our business strategies which could adversely affect our cash flows or results of operations.

***Taking advantage of the reduced disclosure requirements applicable to "emerging growth companies" may make our common stock less attractive to investors.***

We qualify as an "emerging growth company" as defined in the JOBS Act. An emerging growth company may take advantage of certain reduced reporting and other requirements that are otherwise applicable generally to public companies. Pursuant to these reduced disclosure requirements, emerging growth companies are not required to, among other things, comply with the auditor attestation requirements of Section 404 of the Sarbanes-

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Oxley Act, provide certain disclosures regarding executive compensation, holding stockholder advisory votes on executive compensation or obtain stockholder approval of any golden parachute payments not previously approved. In addition, emerging growth companies have longer phase-in periods for the adoption of new or revised financial accounting. We will cease to be an emerging growth company upon the earliest of (i) the last day of the fiscal year in which we have \$1.235 billion or more in annual revenues; (ii) the date on which we become a “large accelerated filer” (the fiscal year-end on which the total market value of our common equity securities held by non-affiliates is \$700 million or more as of June 30); (iii) the date on which we issue more than \$1.0 billion of non-convertible debt securities over a three-year period; or (iv) the last day of the fiscal year following the fifth anniversary of this offering.

We intend to take advantage of all of the reduced reporting requirements and exemptions, including the longer phase-in periods for the adoption of new or revised financial accounting standards under Section 107 of the JOBS Act, until we are no longer an emerging growth company. If we were to subsequently elect instead to comply with these public company effective dates, such election would be irrevocable pursuant to Section 107 of the JOBS Act.

Our election to use the phase-in periods permitted by this election may make it difficult to compare our financial statements to those of non-emerging growth companies and other emerging growth companies that have opted out of the longer phase-in periods under Section 107 of the JOBS Act and who will comply with new or revised financial accounting standards. We cannot predict if investors will find our common stock less attractive because we will rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our common stock price may be more volatile. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Forward-looking statements can be identified by words such as: “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “project,” “estimate,” “expect,” “strategy,” “future,” “likely,” “may,” “should,” “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding:

- Expected operating results, such as revenue growth and earnings;
- Anticipated levels of capital expenditures and uses of capital;
- Current or future volatility in the credit markets and future market conditions;
- Expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings;
- Strategy for customer retention, growth, fleet maintenance, market position, financial results; and
- Strategy for risk management.

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- A reduction in the demand for natural gas and oil;
- The loss of, or the deterioration of the financial condition of, any of our key customers;
- Nonpayment and nonperformance by our customers, suppliers or vendors;
- Competitive pressures that may cause us to lose market share;
- The structure of our contract operations services contracts and the failure of our customers to continue to rent equipment after expiration of the primary rental term;
- Our ability to make acquisitions on economically acceptable terms;
- Our ability to fund purchases of additional compression equipment;
- A downturn in the economic environment, as well as inflationary pressures;
- Tax legislation and administrative initiatives or challenges to our tax positions;
- The loss of key management, operational personnel or qualified technical personnel;
- Our dependence on a limited number of suppliers;
- The cost of compliance with existing governmental regulations and proposed governmental regulations, including climate change legislation and regulatory initiatives and stakeholder pressures, including ESG scrutiny;
- The inherent risks associated with our operations, such as equipment defects and malfunctions;
- Our reliance on third-party components for use in our IT systems;
- Legal and reputational risks and expenses relating to the privacy, use and security of employee and client information;

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- Threats of cyber-attacks or terrorism;
- Agreements that govern our debt limit our ability to fund future growth and operate our business and increase our exposure to risk during adverse economic conditions;
- Volatility in interest rates;
- Our ability to access the capital and credit markets or borrow on affordable terms to obtain additional capital that we may require; and
- Such other factors as discussed throughout the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of this prospectus.

Any forward-looking statement made by us in this prospectus is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future developments or otherwise.

## USE OF PROCEEDS

We will receive net proceeds of approximately \$ [redacted] from the sale of the common stock by us in this offering assuming an initial public offering price of \$ [redacted] per share (the midpoint of the price range set forth on the cover page of this prospectus) and after deducting estimated expenses and underwriting discounts and commissions payable by us. If the underwriters exercise their option to purchase additional shares in full, we estimate the net proceeds will be approximately \$ [redacted] after deducting estimated expenses and underwriting discounts and commissions payable by us.

The principal purposes of this offering are to increase our financial flexibility, create a public market for our common stock, and facilitate our future access to the capital markets.

We intend to use the net proceeds from this offering to repay borrowings outstanding under the Term Loan and to use any remaining proceeds for general corporate purposes. The maturity date of the Term Loan is September 22, 2028. The interest rate on borrowings under the Term Loan was 10.67% and 7.13% as of December 31, 2022 and 2021, respectively.

A \$1.00 increase or decrease in the assumed initial public offering price of \$ [redacted] per share would cause the net proceeds from this offering, after deducting the underwriting discounts and commissions and estimated offering expenses, received by us to increase or decrease, respectively, by approximately \$ [redacted], assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. If the proceeds increase due to a higher initial public offering price, we intend to use such proceeds for general corporate purposes.

## DIVIDEND POLICY

We intend to recommend to our board of directors that we regularly return capital to our stockholders in the future through a dividend framework that will be communicated to stockholders in the future. Following the completion of this offering, our board of directors may elect to declare cash dividends on our common stock, subject to our compliance with applicable law, and depending on, among other things, economic conditions, our financial condition, results of operations, projections, liquidity, earnings, legal requirements, and restrictions in the agreements governing our indebtedness (as further discussed below). The payment of any future dividends will be at the discretion of our board of directors, which will be constituted upon completion of this offering and be comprised of a majority of independent directors. We have not adopted, and do not currently expect to adopt, a written dividend policy.

Our ABL Facility contains restrictions on the payment of dividends. Such restrictions allow us to pay dividends after the completion of this offering only when (1) no default or event of default has occurred and is continuing or would result after giving effect to such dividends, (2) availability under the borrowing base under the ABL Facility exceeds the greater of (x) 10% of the total commitments under the facility of \$2.2 billion or (y) \$200 million (the “RP Availability Requirement”) and (3) we are in compliance with the financial covenants under the ABL Facility applicable at such time. Such covenants provide that, after the completion of this offering, (1) we maintain an interest coverage ratio of at least 2.50 to 1.00 and (2) we maintain a leverage ratio not to exceed (i) 5.50 to 1.00 for the fiscal quarters through June 30, 2023, (ii) 5.25 to 1.00 for the fiscal quarters thereafter through December 31, 2023, (iii) 5.00 to 1.00 for the fiscal quarter ended March 31, 2024, (iv) 4.75 to 1.00 for the fiscal quarter ended June 30, 2024 and (v) 4.50 to 1.00 for each fiscal quarter thereafter. In the event we issue certain unsecured debt after the completion of this offering, we must (1) maintain an unsecured leverage ratio not to exceed 5.75 to 1.00 for the first four fiscal quarters after such issuance and 5.25 to 1.00 for each fiscal quarter thereafter and (2) maintain a secured leverage ratio not to exceed 3.50 to 1.00 for the first four fiscal quarters after such issuance and 3.00 to 1.00 for each fiscal quarter thereafter.

See “Risk Factors—Risks Relating to this Offering and Owning Our Common Stock—We cannot assure you that we will be able to pay dividends on our common stock” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Description of Indebtedness.”



## CAPITALIZATION

The following table sets forth our capitalization as of December 31, 2022:

- on an actual basis; and
- on an as adjusted basis giving effect to the sale by us of \_\_\_\_\_ shares of our common stock in this offering at an assumed initial offering price of \$ \_\_\_\_\_ per share (which is the midpoint of the range set forth on the cover of this prospectus) and the use of proceeds therefrom as set forth under “Use of Proceeds”.

The as adjusted information set forth in the table below is illustrative only and the as adjusted information will be adjusted based on the actual initial public offering price and other final terms of this offering. You should read the following table in conjunction with “Use of Proceeds,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our historical consolidated financial statements and related notes thereto appearing elsewhere in this prospectus.

	<u>As of December 31, 2022</u>	
	<u>Actual</u>	<u>As Adjusted</u>
	(in thousands)	
Cash and Cash Equivalents	\$ 20,431	
Long-Term Debt		
ABL Facility	1,754,224	(1)
Term Loan	1,000,000	(2)
Total Long-Term Debt	<u>2,754,224</u>	
Stockholder’s Equity:		
Common Stock, \$0.01 par value per share; 1,000 shares of Common Stock authorized, issued or outstanding, actual; _____ shares of Common Stock authorized, _____ shares of Common Stock issued and outstanding, as adjusted		1
Additional Paid-in Capital	33,778	
Retained Earnings	195,314	
Total Equity:	<u>229,093</u>	
Total Capitalization	<u>\$ 2,983,317</u>	

- (1) After the completion of this offering, we expect to have approximately \$400 million of total availability under the ABL Facility and \$180 million of availability taking into account the RP Availability Requirement (as defined herein). See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Description of Indebtedness.”
- (2) Reflects the elimination of \$1 billion of borrowings under the Term Loan as described in the section entitled “Use of Proceeds” and in connection with the Term Loan Transaction. Pursuant to the Term Loan Transaction, all of the Company’s and its subsidiaries’ remaining obligations under the Term Loan will be assumed by a parent entity of Kodiak Holdings, and the Company’s obligations thereunder will be terminated. Following the consummation of the Term Loan Transaction, the Company will no longer be a borrower or guarantor under, nor otherwise be obligated with respect to the debt outstanding under the Term Loan.

**DILUTION**

Purchasers of the common stock in this offering will experience immediate and substantial dilution in the net tangible book value per share of the common stock for accounting purposes. Our pro forma net tangible book value as of December 31, 2022 was approximately \$ \_\_\_\_\_, or \$ \_\_\_\_\_ per share of common stock. Pro forma net tangible book value per share is determined by dividing our tangible net worth (tangible assets less total liabilities) by the total number of outstanding shares of common stock that will be outstanding immediately prior to the closing of this offering. After giving effect to the sale of \_\_\_\_\_ shares in this offering at an assumed initial public offering price of \$ \_\_\_\_\_ per share (the midpoint of the price range set forth on the cover page of this prospectus), and after deducting estimated discounts and commissions and offering expenses, our adjusted pro forma net tangible book value as of December 31, 2022 would have been approximately \$ \_\_\_\_\_, or \$ \_\_\_\_\_ per share. This represents an immediate increase in the net tangible book value of \$ \_\_\_\_\_ per share to our existing stockholders and an immediate dilution (*i.e.*, the difference between the offering price and the adjusted pro forma net tangible book value after this offering) to new investors purchasing shares in this offering of \$ \_\_\_\_\_ per share. The following table illustrates the per share dilution to new investors purchasing shares in this offering:

Assumed initial public offering price per share		\$
Pro forma net tangible book value per share as of December 31, 2022	\$	
Increase per share attributable to new investors in this offering		
Adjusted pro forma net tangible book value per share		
Dilution in adjusted pro forma net tangible book value per share to new investors in this offering		\$

The following table summarizes, on an adjusted pro forma basis as of December 31, 2022, the total number of shares of common stock owned by existing stockholders and to be owned by the new investors in this offering, the total consideration paid, and the average price per share paid by our existing stockholders and to be paid by the new investors in this offering at \$ \_\_\_\_\_, the midpoint of the price range set forth on the cover page of this prospectus, calculated before deducting of estimated discounts and commissions and offering expenses:

	Shares acquired		Total consideration		Average price per share
	Number	Percent	Amount	Percent	
Existing stockholders					
New investors in this offering					
Total					

Assuming the underwriters' option to purchase additional shares is exercised in full, the number of shares held by new investors will be increased to \_\_\_\_\_, or \_\_\_\_\_ % on an adjusted pro forma basis as of December 31, 2022.

A \$1.00 increase or decrease in the assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease our adjusted pro forma net tangible book value as of December 31, 2022 by approximately \$ \_\_\_\_\_, the adjusted pro forma net tangible book value per share after this offering by \$ \_\_\_\_\_ per share and the dilution in adjusted pro forma net tangible book value per share to new investors in this offering by \$ \_\_\_\_\_ per share, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and offering expenses.

## UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma consolidated financial information reflects (i) the sale by us of \_\_\_\_\_ shares pursuant to this offering and the application of the proceeds from this offering as described in the section entitled “Use of Proceeds,” at an initial public offering price of \$ \_\_\_\_\_ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus), after deducting estimated expenses and underwriting discounts and commissions payable by us and (ii) the termination, pursuant to an assumption of the obligations under the Term Loans by a parent entity of Kodiak Holdings, as further described below, of our and our subsidiaries’ remaining obligations under the Term Loan (the “Term Loan Transaction” and collectively with the transactions described under the foregoing clause (i), the “Offering Transactions”).

Pursuant to the Term Loan Transaction, all of the Company’s and its subsidiaries’ obligations under the Term Loan will be assumed by a parent entity of Kodiak Holdings, and the Company’s obligations thereunder will be terminated. Following the consummation of the Term Loan Transaction, the Company will no longer be a borrower or guarantor under, nor otherwise be obligated with respect to the debt outstanding under the Term Loan.

The unaudited pro forma consolidated balance sheet as of December 31, 2022 gives effect to the Offering Transactions as if they had occurred as of December 31, 2022. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2022 gives effect to the Offering Transactions as if they had occurred on January 1, 2022.

We have derived the unaudited pro forma consolidated balance sheet and the unaudited pro forma consolidated statement of operations from our consolidated financial statements as of and for the year ended December 31, 2022 included elsewhere in this prospectus. The unaudited pro forma consolidated financial information was prepared in accordance with Article 11 of Regulation S-X.

The pro forma adjustments are based on available information and upon assumptions that management believes are reasonable in order to reflect, on a pro forma basis, the effect of the Offering Transactions on the historical financial information of Kodiak Gas Services, Inc. The adjustments are described in the notes to the unaudited pro forma consolidated balance sheet and the unaudited pro forma consolidated statement of operations.

Except as otherwise indicated, the unaudited pro forma consolidated financial information presented assumes no exercise by the underwriters of their over-allotment option.

As a public company, we will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. We expect to incur additional annual expenses related to these additional procedures and processes and, among other things, additional directors’ and officers’ liability insurance, director fees, additional expenses associated with complying with the reporting requirements of the SEC, transfer agent fees, costs relating to additional accounting, legal, and administrative personnel, increased auditing, tax, and legal fees, stock exchange listing fees, and other public company expenses. We have not included any pro forma adjustments relating to these costs in the information below.

The unaudited pro forma consolidated financial information is included for informational purposes only. The unaudited pro forma consolidated financial information should not be relied upon as being indicative of our results of operations or financial condition had the Offering Transactions occurred on the dates assumed. The unaudited pro forma consolidated financial information also does not project our results of operations or financial position for any future period or date. The unaudited pro forma consolidated statement of operations and balance sheet should be read in conjunction with the “Risk Factors,” “Prospectus Summary—Summary Financial and Operating Data,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, and our consolidated financial statements and related notes included elsewhere in this prospectus.

**Unaudited Pro Forma Consolidated Balance Sheet**  
**As of December 31, 2022**  
(in thousands)

	Kodiak Gas Services, Inc. (as reported)	Transaction Accounting Adjustments – IPO	Transaction Accounting Adjustments – Financing	Kodiak Gas Services, Inc. Pro Forma
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 20,431		(A) (D)	\$
			(B)	
Accounts receivable, net	97,551			
Inventories, net	72,155			
Fair value of derivative instruments	823			
Contract assets	3,555			
Prepaid expenses and other current assets	9,520		(B)	
<b>Total current assets</b>	<b>204,035</b>			
Property, plant, and equipment, net	2,488,682			
Operating lease right-of-use assets	9,827			
Goodwill	305,553			
Identifiable intangible assets, net	132,362			
Fair value of derivative instruments	64,517			
Other assets	564			
<b>Total assets</b>	<b>\$3,205,540</b>			<b>\$</b>
<b>Liabilities and Stockholders' Equity</b>				
Current liabilities:				
Accounts payable	\$ 37,992			\$
Accrued liabilities	93,873		(B)	
Contract liabilities	57,109			
Fair value of derivative instruments	—			
<b>Total current liabilities</b>	<b>188,974</b>			
Long-term debt, net of unamortized debt issuance cost	2,720,019			(D)
Operating lease liabilities	6,754			
Fair value of derivative instruments	—			
Deferred tax liabilities	57,155			
Other liabilities	3,545			
<b>Total liabilities</b>	<b>2,976,447</b>			
<b>Stockholders' equity:</b>				
Common shares	1		(C)	
Additional paid-in capital	33,778		(A) (D)	
			(B)	
			(C)	
Retained earnings	195,314			(D) (F)
<b>Total stockholders' equity</b>	<b>229,093</b>			
<b>Total liabilities and stockholders' equity</b>	<b>\$3,205,540</b>			<b>\$</b>

**Unaudited Pro Forma Consolidated Statement of Operations**  
**For the Year Ended December 31, 2022**  
(in thousands, except share and per share amounts)

	Kodiak Gas Services, Inc. (as reported)	Transaction Accounting Adjustments – Financing	Kodiak Gas Services, Inc. Pro Forma
<b>Revenues:</b>			
Compression Operations	\$ 654,957		\$
Other Services	52,956		
Total revenues	707,913		
<b>Operating expenses:</b>			
Cost of operations (exclusive of depreciation and amortization shown below):			
Compression Operations	225,715		
Other Services	41,636		
Depreciation and amortization	174,463		
Selling, general and administrative expenses	44,882		
Long-lived asset impairment	—		
(Gain) loss on sale of fixed assets	(874)		
Total operating expenses	485,822		
<b>Income from operations</b>	<b>222,091</b>		
Other income (expenses):			
Interest expense, net	(170,114)	(AA)	
Unrealized gain on derivatives	87,363	(CC)	
Other income (expense)	17	(DD)	
		(EE)	
Total other expenses	(82,734)		
<b>Income before income taxes</b>	<b>139,357</b>		
Income tax expense (benefit)	33,092	(BB)	
<b>Net income</b>	<b>\$ 106,265</b>		<b>\$</b>
<b>Pro forma net income per share:</b>			
Basic and diluted	\$1,062,650		
<b>Weighted average shares outstanding</b>			
Basic and diluted			

## NOTES TO THE UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

### 1. Basis of Presentation

The unaudited pro forma consolidated financial information was prepared in accordance with Article 11 of Regulation S-X, and presents the pro forma financial condition and results of operations of the Company based upon the historical financial information after giving effect to the Offering Transactions and related adjustments set forth in the notes to the unaudited pro forma consolidated financial information.

The unaudited pro forma consolidated financial information does not reflect any management adjustments for expected effects of the Offering Transactions.

The unaudited pro forma consolidated balance sheet as of December 31, 2022, gives effect to the Offering Transactions as if they had occurred on December 31, 2022. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2022, gives effect to the transactions as if they had occurred on January 1, 2022.

### *Offering Transactions*

The Company is offering \_\_\_\_\_ shares of common stock in this offering at an assumed initial public offering price of \$ \_\_\_\_\_ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus. The Company intends to use the estimated net proceeds from this offering of \$ \_\_\_\_\_ million (net of underwriting discounts and commissions and assuming the underwriters do not exercise their option to purchase additional shares of common stock) to repay borrowings outstanding under the Term Loan, as further described in the section entitled "Use of Proceeds". Pursuant to the Term Loan Transaction, all of the Company's and its subsidiaries' obligations under the Term Loan will be assumed by a parent entity of Kodiak Holdings, and the Company's obligations thereunder will be terminated. Following the consummation of the Term Loan Transaction, the Company will no longer be a borrower or guarantor under, nor otherwise be obligated with respect to the debt outstanding under the Term Loan.

### 2. Notes to Unaudited Pro Forma Consolidated Balance Sheet

The following adjustments were made related to the unaudited pro forma consolidated balance sheet as of December 31, 2022:

- A. Reflects the net effect on cash of the receipt of offering proceeds to us of \$ \_\_\_\_\_ million, based on the sale by the Company of \_\_\_\_\_ million shares of common stock at an assumed initial public offering price of \$ \_\_\_\_\_ per share of common stock (the midpoint of the price range set forth on the cover of this prospectus), after deducting the estimated underwriting discounts and commissions.
- B. Reflects estimated offering expenses of \$ \_\_\_\_\_ million, including certain legal, accounting, and other related costs.
- C. Reflects the pro forma net adjustments of \$ \_\_\_\_\_ million to common stock and additional paid-in capital.
- D. Reflects the elimination of \$1.0 billion of borrowings under the Term Loan (with a carrying value of \$982.9 million) as described in the section entitled "Use of Proceeds" and in connection with the Term Loan Transaction. Of this amount, \$ \_\_\_\_\_ million will be repaid in cash, and \$ \_\_\_\_\_ million will be novated to a parent entity of Kodiak Holdings.
- E. Reflects the settlement of derivative assets of \$ \_\_\_\_\_ million, which represents the interest rate swaps and interest rate collars related to the borrowings being repaid, as discussed in adjustment (D).

### 3. Notes to Unaudited Pro Forma Consolidated Statement of Operations

The following adjustments were made related to the unaudited pro forma consolidated statement of operations for the year ended December 31, 2022:

- AA. Reflects the elimination of historical interest expense associated with the elimination of \$1.0 billion of borrowings under the Term Loan, as discussed in adjustment (D).
- BB. Represents the pro forma adjustment to taxes as a result of adjustments to the income statement for the year ended December 31, 2022, which was calculated using the statutory income tax rate of 21%.
- CC. Reflects the elimination of historical change in value of derivative assets of \$            million, which represents the change in fair value related to the interest rate swaps and interest rate collars held related to the borrowings being eliminated, as discussed in adjustment D.
- DD. Reflects debt issuance costs that are written off with the elimination of borrowings under the Term Loan, as discussed in adjustment (D). This charge is not expected to recur in the 12 months following Closing.

### 4. Unaudited Pro Forma Net Income Per Share

Unaudited basic pro forma net income per share is computed by dividing pro forma net income attributable to common shares by the pro forma weighted average number of common shares outstanding during the period. Unaudited diluted pro forma net income per share is computed by dividing pro forma net income attributable to common shares by the weighted average number of common shares outstanding during the period after adjusting for the impact of securities that would have a dilutive effect on net income per share.

<b>Pro forma net income per share—basic and diluted</b> <i>(in thousands except share and per share amounts)</i>	<b>For the Year Ended</b> <b>December 31, 2022</b>
<b>Numerator:</b>	
Pro forma net income—basic and diluted	
<b>Denominator:</b>	
Weighted average number of shares outstanding—basic and diluted (1)	
<b>Pro forma net income per share—basic and diluted</b>	
(1) Consists of the following:	
Common stock issued as a result of the Offering Transactions	
Common stock previously issued and outstanding	
Weighted average number of shares outstanding—basic and diluted	

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. The following discussion includes forward-looking statements that involve certain risks and uncertainties. For further information on items that could impact our future operating performance or financial condition, see the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" elsewhere in this prospectus. We assume no obligation to update any of these forward-looking statements, except as required by law. Unless otherwise indicated or the context otherwise requires, the historical financial information in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" reflects only the historical financial results of Kodiak Gas Services, Inc. and references to "we," "our," or "us" are to Kodiak Gas Services, Inc. and its consolidated subsidiaries.*

### Overview

We are a leading operator of contract compression infrastructure in the U.S. Our compression operations are critical to our customers' ability to reliably produce natural gas and oil to support growing global energy demand. We are a market leader in the Permian Basin, which is the largest producing natural gas and oil basin in the U.S. We operate our large horsepower compression units under stable, fixed-revenue contracts with blue-chip upstream and midstream customers. Our compression assets have long useful lives consistent with the expected production lives of the key regions where we operate. We believe our partnership-focused business model positions us as the preferred contract compression operator for our customers and creates long-standing relationships. We strategically invest in the training, development, and retention of our highly skilled and dedicated employees and believe their expertise and commitment to excellence enhances and differentiates our business model. Furthermore, we maintain an intense focus on being one of the most sustainable and responsible operators of contract compression infrastructure.

We manage our business through two operating segments: Compression Operations and Other Services. Compression Operations consists of operating company-owned and customer-owned compression infrastructure for our customers, pursuant to fixed-revenue contracts to enable the production, gathering and transportation of natural gas and oil. Other Services consists of a full range of contract services to support the needs of our customers, including station construction, maintenance and overhaul and other ancillary time and material based offerings. Our Other Services offerings are often cross-sold, bolstering cash flow generation with no associated capital expenditures.

### Trends and Outlook

We provide contract compression infrastructure for customers in the oil and gas industry. Our assets are specifically utilized in natural gas compression applications in the Permian Basin, Eagle Ford Shale and other U.S. regions. Our customers are dependent on these applications to produce natural gas and oil and transport it to end markets. Our assets are central to meeting the growing global natural gas and oil demand. Furthermore, the long-life nature of our assets and our fixed-revenue contracts help to protect our business from the impact of industry and broader macroeconomic cycles.

Unconventional resources, large-scale centralized gathering and multi-well pad operations require more horsepower than conventional resources, driving demand for our large horsepower compression units. Upstream and midstream companies have increasingly prioritized capital discipline and return of capital to stockholders. We believe that our customers will increasingly continue to outsource their compression infrastructure needs, to reduce capital expenditures outside of their core business and benefit from our technical skill and expertise.

We believe that the industry is facing uncertainties and continued pressures from regulators and shifting sentiments from investors and other stakeholders, primarily related to broader adoption of emission reduction



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targets and other sustainability initiatives. Many energy companies, including some of our customers, have announced significant GHG emission reduction initiatives. We expect to benefit from this trend as 96% of our current fleet is capable of operating in the most stringent existing emissions regulatory environments in the U.S., which require emissions of 0.5g NOx or less. A growing number of our customers are evaluating potential opportunities in electric compression infrastructure and we are well positioned to support them in these strategic initiatives.

Eighty-four percent of our compression assets are strategically deployed in the Permian Basin and Eagle Ford Shale, which the EIA expects to maintain significant production volumes through at least 2050. We believe these two regions have the largest and lowest-cost unconventional resources in the U.S. exhibited by strong recent growth with natural gas and crude oil production from the two regions growing 13% and 12%, respectively, on average annual basis from 2017 to 2022. Additionally, there are significant U.S. liquefied natural gas (“LNG”) export projects in development, and overall LNG export capacity is expected to meaningfully grow over the next decade, in particular along the U.S. Gulf Coast with liquefaction capacity expected grow 41% from 14.5 in 2022 to 20.5 MTPA in 2025 from FID projects alone. We expect this to translate into Permian Basin and Eagle Ford Shale natural gas production growth, requiring substantial additional compression horsepower. We believe these regions will play an increasingly important role in global energy security as the world continues to require reliable and growing natural gas and oil production to support increasing global energy demand.

See “Business—Compression Industry” for more information regarding natural gas compression industry trends. Ultimately, the extent to which our business will be impacted by the factors described above, as well as future developments beyond our control, cannot be predicted with reasonable certainty. However, we continue to believe in the long-term demand for our compression operations given the necessity of compression in gathering, processing and transportation of natural gas and centralized gas lift of oil.

### ***How We Evaluate Our Operations***

#### *Revenue-Generating Horsepower*

Revenue-generating horsepower growth is the primary driver for our revenue growth, and it is the base measure for evaluating our efficiency of capital deployed. Revenue-generating horsepower includes compression units that are operating under contract and generating revenue and compression units which are available to be deployed and for which we have a signed contract or are subject to a firm commitment from our customer.

#### *Horsepower Utilization*

We calculate horsepower utilization as (i) revenue-generating horsepower divided by (ii) fleet horsepower. The primary reason for tracking and analyzing our horsepower utilization is to determine the percentage of our fleet that is currently generating revenue for future cash flow generation and the efficiency of our capital deployed.

#### *Revenue-Generating Horsepower per Revenue-Generating Compression Units*

We calculate revenue-generating horsepower per revenue-generating compression units as (i) revenue-generating horsepower divided by (ii) revenue-generating compression units. The primary reason for tracking and analyzing our revenue-generating horsepower per revenue-generating compression units is to determine the expected operational and financial performance of the Company.

#### *Revenue*

One of our measures of financial performance is the amount of revenue generated quarterly and annually as revenue is an indicator of overall business growth for the Company.

#### *Adjusted Gross Margin*

We track Adjusted Gross Margin on an absolute dollar basis and as a percentage of revenue. We define Adjusted Gross Margin as revenue less cost of operations, exclusive of depreciation and amortization expense. We believe

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that Adjusted Gross Margin is useful as a supplemental measure to investors of our operating profitability. Adjusted Gross Margin is impacted primarily by the pricing trends for service operations and cost of operations, including labor rates for service technicians, volume and per compression unit costs for lubricant oils, quantity and pricing of routine preventative maintenance on compression units and property tax rates on compression units.

Adjusted Gross Margin should not be considered an alternative to, or more meaningful than, gross margin or any other measure of financial performance presented in accordance with GAAP. Moreover, Adjusted Gross Margin as presented may not be comparable to similarly titled measures of other companies. To compensate for the limitations of Adjusted Gross Margin as a measure of our performance, we believe that it is important to consider gross margin determined under GAAP, as well as Adjusted Gross Margin, to evaluate our operating profitability. See “—Non-GAAP Financial Measures.”

### *Adjusted EBITDA*

We track Adjusted EBITDA on an absolute dollar basis and as a percentage of revenue. We define Adjusted EBITDA as net income before interest expense, net; tax expense (benefit); depreciation and amortization; unrealized loss (gain) on derivatives; equity compensation expense; transaction expenses; loss (gain) on sale of assets; and impairment of compression equipment. Adjusted EBITDA is used as a supplemental financial measure by our management and external users of our financial statements, such as investors, commercial banks and other financial institutions, to assess:

- the financial performance of our assets without regard to the impact of financing methods, capital structure or historical cost basis of our assets;
- the viability of capital expenditure projects and the overall rates of return on alternative investment opportunities;
- the ability of our assets to generate cash sufficient to make debt payments and pay dividends; and
- our operating performance as compared to those of other companies in our industry without regard to the impact of financing methods and capital structure.

We believe that Adjusted EBITDA provides useful information to investors because, when viewed with our GAAP results and the accompanying reconciliation, they provide a more complete understanding of our performance than GAAP results alone. We also believe that external users of our financial statements benefit from having access to the same financial measures that management uses in evaluating the results of our business.

Adjusted EBITDA should not be considered an alternative to, or more meaningful than, revenues, net income, operating income, cash flows from operating activities or any other measure of financial performance presented in accordance with GAAP as measures of operating performance and liquidity. Moreover, our Adjusted EBITDA as presented may not be comparable to similarly titled measures of other companies. See “—Non-GAAP Financial Measures.”

### ***Sources of Our Revenues***

#### *Compression Operations*

Compression Operations revenue consists of operating company-owned and customer-owned compression infrastructure for our customers, pursuant to fixed-revenue contracts to enable the production, gathering and transportation of natural gas and oil. Additionally, revenue from these fixed-revenue contracts can include mobilization and demobilization charges that are directly reimbursable by our customers.

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### *Other Services*

Other Services revenue consists of a full range of contract services to support the needs of our customers including station construction, maintenance and overhaul, and other ancillary time and material based offerings.

### ***Principal Components of our Cost Structure***

#### *Compression Operations*

Compression Operations expenses consist of direct and indirect expenses related to operating compression infrastructure assets, such as labor, supplies, machinery, freight, and crane expenses.

#### *Other Services*

Other Services expenses consist of compressor station construction and other ancillary expenses to support the needs of customers, including parts, labor, and materials.

#### *Depreciation and Amortization*

Depreciation expense consists primarily of depreciation on property, plant and equipment purchased and leasehold improvements. Amortization expense consists primarily of amortization on intangible assets related to trade name and customer relationships.

#### *Selling, General and Administrative Expense*

Selling, General, and Administrative expenses primarily consists of compensation and benefits related costs associated with our finance, legal, human resources, information technology, administrative functions, and sales and marketing. Selling, General, and Administrative costs also consist of third-party professional service fees for external legal, accounting and other consulting services, rent and lease charges, insurance costs, and software expense.

In addition, we expect to incur incremental, non-recurring costs related to our transition to a publicly traded corporation, including the costs of this offering. We also expect to incur additional recurring expenses as a publicly traded corporation, including costs associated with compliance under the Exchange Act, annual and quarterly reports to common stockholders, registrar and transfer agent fees, national stock exchange fees, audit fees, incremental director and officer liability insurance costs and director and officer compensation.

#### *Long-lived Asset Impairment*

Long-lived assets, including property, plant, and equipment, and other finite-lived identifiable intangible assets, are reviewed for impairment whenever events or changes in circumstances, including the removal of compression units from active fleet, indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the asset. Impairment losses are recognized in the period in which the impairment occurs and represent the excess of the asset carrying value over its fair value. There were no indicators that the carrying amount may not be recoverable for the year ended December 31, 2022. In December 2021, certain compression equipment was identified as not being part of our ongoing operations. As such, a recoverability assessment was performed, and fair value was assessed using a combination of a market and cost approach.

#### *Interest Expense, Net*

Interest expense, net relates to interest incurred on outstanding borrowings under our ABL Facility and the Term Loan, net of interest income earned on cash balances.

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### *Unrealized Gain (Loss) on Derivatives*

Unrealized gain (loss) on derivatives is from changes in the mark-to-market valuation of derivative instruments related to interest rate swaps whereby we have exchanged variable interest rates for fixed interest rates and entered into interest rate collars which represent a simultaneous purchase of a cap rate with the sale of a floor rate. Derivative instruments are used to manage our exposure to fluctuations in the variable interest rate of the ABL Facility and the Term Loan and thereby mitigate the risks and costs associated with financing activities. We have not designated any derivative instruments as hedge for accounting purposes and we do not enter into such instruments for speculative trading purposes. Gains and losses on derivatives are presented in the other income and expense section of the consolidated statements of operations as unrealized gain or loss on derivatives.

### **2022 Operational Highlights**

The following table summarizes certain horsepower and horsepower utilization percentages for our fleet for the periods presented.

	<u>As of December 31,</u>		<u>Percentage Change</u>
	<u>2022</u>	<u>2021</u>	
Operating Data (at period end):			
Fleet horsepower (1)	3,134,306	2,935,826	6.8%
Revenue-generating horsepower (2)	3,131,631	2,933,203	6.8%
Fleet compression units(1)	3,024	2,904	4.1%
Revenue-generating compression units(2)	3,021	2,900	4.2%
Revenue-generating horsepower per revenue-generating compression units (3)	1,037	1,011	2.6%
Horsepower utilization (4)	99.9%	99.9%	—

- (1) Fleet horsepower includes revenue-generating horsepower and idle horsepower, which are compression units that do not have a signed contract or are not subject to a firm commitment from our customer and are not yet generating revenue. Fleet horsepower excludes 58,645 and 65,355 of non-marketable or obsolete horsepower as of December 31, 2022 and December 31, 2021, respectively.
- (2) Revenue-generating horsepower includes compression units that are operating under contract and generating revenue and compression units which are available to be deployed and for which we have a signed contract or are subject to a firm commitment from our customer.
- (3) Calculated as (i) revenue-generating horsepower divided by (ii) revenue-generating compression units at period end.
- (4) Horsepower utilization is calculated as (i) revenue-generating horsepower divided by (ii) fleet horsepower.

### ***Horsepower***

The 6.8% and 6.8% increase in fleet horsepower and revenue-generating horsepower, respectively, were primarily attributable to an increase in the purchase and deployment of new compression units through organic growth with our existing customer base as well as select new customers in the key regions in which we operate.

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### Financial Results of Operations

Year ended December 31, 2022 compared to the year ended December 31, 2021

The following table presents selected financial and operating information for the periods presented (in thousands):

	For Years Ended December 31,		% Change
	2022	2021	
Revenues:			
Compression Operations	\$ 654,957	\$ 583,070	12.3%
Other Services	52,956	23,305	127.2%
Total revenues	707,913	606,375	16.7%
Operating expenses:			
Cost of operations (exclusive of depreciation and amortization shown below)			
Compression Operations	225,715	192,813	17.1%
Other Services	41,636	17,364	139.8%
Depreciation and amortization	174,463	160,045	9.0%
Selling, general and administrative expenses	44,882	37,665	19.2%
Long-lived asset impairment	—	9,107	*
(Gain) loss on sale of fixed assets	(874)	426	(305.2)%
Total operating expenses	485,822	417,420	16.4%
Income from operations	222,091	188,955	17.5%
Other income (expenses):			
Interest expense, net	(170,114)	(107,293)	58.6%
Unrealized gain on derivatives	87,363	40,827	114.0%
Other income (expense)	17	(99)	(117.2)%
Total other expense	(82,734)	(66,565)	24.3%
Income before income taxes	139,357	122,390	13.9%
Income tax expense (benefit)	33,092	(58,573)	(156.5)%
Net income	<u>\$ 106,265</u>	<u>\$ 180,963</u>	(41.3)%

\* Not applicable

### Revenues and Sources of Income

#### Compression Operations

Compression Operations revenue increased \$71.9 million (12.3%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. The annual increase was the result of an \$81.9 million increase in average revenue-generating horsepower as a result of increased demand for our compression operations (consistent with increased operating activity in the oil and gas industry) and due to an increase in average revenue per revenue-generating horsepower per month; partially offset by a \$8.7 million decrease in revenues attributable to services related to customer-owned horsepower and a \$1.3 million decrease in freight and crane charges that are directly reimbursable by our customers.

#### Other Services

Other Services revenue increased \$29.7 million (127.2%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This increase was primarily due to a \$28.5 million increase in revenue from station construction services, driven by an increase in the number of stations and average revenue per compressor station to support customer capacity demands, and a \$1.2 million increase in revenue from parts and service, driven by increased customer demand.

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### **Operating Costs and Other Expenses**

#### ***Compression Operations***

Compression Operations expenses increased \$32.9 million (17.1%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This was primarily due to an \$18.5 million increase in direct expenses, driven by increases in pricing and volume of fluids and parts to support increased activity, an \$8.6 million increase in direct labor expenses related to increased headcount and salaries, and a \$6.9 million increase in indirect expenses; partially offset by a \$1.1 million decrease in freight and crane charges that are directly reimbursable by our customers.

#### ***Other Services***

Other Services expense increased \$24.3 million (139.8%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This was primarily due to a \$24.0 million increase in construction service expenses related to increased scale in compressor stations to meet customer capacity demands.

#### ***Depreciation and Amortization***

Depreciation and Amortization increased \$14.4 million (9.0%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This was primarily due to an increase in compression equipment purchased in 2022, which resulted in increased depreciation associated with that equipment.

#### ***Selling, General and Administrative Expense***

Selling, General and Administrative expenses increased \$7.2 million (19.2%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This was primarily due to a \$2.6 million increase in labor and benefit expenses, a \$0.6 million increase related to bad debt recoveries in the prior year, and a \$4.1 million increase in other overhead expenses, primarily as a result of increased travel, recruiting, advertising and entertainment expenses.

#### ***Long-lived Asset Impairment***

No long-lived asset impairment was recorded for the year ended December 31, 2022 as compared to the \$9.1 million impairment recognized during the year ended December 31, 2021, which was primarily as the result of compression equipment that was identified as not being part of our ongoing operations under the contract Compression Operations segment.

#### ***Loss (Gain) on Sale of Fixed Assets***

The loss on the sale of fixed assets decreased \$1.3 million (305.2%) for the year ended December 31, 2022 compared to December 31, 2021. This is primarily due to a gain on the sale of compression equipment to a customer.

#### ***Interest Expense, Net***

Interest expense increased \$62.8 million (58.6%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This is primarily due to (i) an increase in borrowings under the ABL Facility and Term Loan of \$825 million, which was related to the May 2022 Recapitalization (as discussed in Note 7 (“Debt and Credit Facilities”)) and (ii) increased effective interest rates on the ABL Facility and Term Loan.

#### ***Unrealized Gain (Loss) on Derivatives***

Unrealized gain on derivatives increased \$46.5 million (114.0%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This is primarily due to an increase in the market interest rates which impacted the fair value of the derivatives and their classification on the balance sheet from a liability classification for the year ended December 31, 2021 to an asset classification for the year ended December 31, 2022.

### ***Income Tax Expense (Benefit)***

Income tax expense increased by \$91.7 million (156.5%) for the year ended December 31, 2022 compared to the year ended December 31, 2021. This was primarily due to the full release in 2021 of the \$83.6 million valuation allowance associated with federal and state deferred tax assets. The remaining \$7 million increase is primarily related to an increase in pre-tax book income in 2022 and a deferred tax benefit in 2021, created by a lower state tax effective rate.

### **Liquidity and Capital Resources**

#### ***Overview***

Our ability to fund operations, finance capital expenditures, service our debt, and pay dividends depends on the levels of our operating cash flows and access to the capital and credit markets. Our primary sources of liquidity are cash flows generated from our operations and our borrowing availability under the ABL Facility. Our cash flow is affected by numerous factors including prices and demand for our infrastructure compression assets, conditions in the financial markets and other factors. We believe cash generated by operating activities will be sufficient to service our debt, fund working capital, fund our estimated capital expenditures and, as our board of directors may determine from time to time in its discretion, pay dividends.

#### ***Cash Requirements***

##### ***Capital Expenditures***

The compression infrastructure business is capital intensive, requiring significant investment to maintain, expand and upgrade existing operations. Our capital requirements have consisted primarily of, and we anticipate that our capital requirements will continue to consist primarily of, the following:

- ***Maintenance Capital Expenditures:*** capital expenditures made to maintain the operating capacity of our assets that provide a future economic benefit beyond a year. Such maintenance capital expenditures typically involve overhauls of significant components of our compression units, such as the engine and compressor, pistons, rings, heads, and bearings. Such maintenance capital expenditures are predictable and the majority of these expenditures are tied to a detailed, unit-by-unit schedule based on hours of operation or age. We utilize a disciplined and systematic asset management program whereby we perform major unit overhauls and engine replacements on a defined schedule based on hours of operation. As a result, our maintenance capital expenditures may vary considerably from year to year based on when such assets were added to the fleet.
- ***Growth Capital Expenditures:*** (1) capital expenditures made to expand the operating capacity or operating income capacity of assets by acquisition of compression units and (2) capital expenditures not related to our compression units—such as trucks; wash trailers; crane trucks; leasehold improvements; technology hardware and software and related implementation expenditures; furniture and fixtures; and other general items that are typically capitalized to operate the business that have useful life beyond one year. We use a systematic approach to deploying Growth Capital Expenditures only when it will meet or exceed our return threshold.

The majority of our growth capital expenditures are related to the acquisition cost of new compression units. Maintenance capital expenditures are related to overhauls of significant components of our compression equipment, such as the engine and compressor, which return the components to a like-new condition, but do not modify the application for which the compression equipment was designed.

Our aggregate capital expenditures for the year ended December 31, 2022 were \$48.3 million of maintenance capital expenditures and \$211.0 million of growth capital expenditures. For the year ended December 31, 2021, maintenance capital expenditures were \$38.1 million and growth capital expenditures were \$163.8 million, respectively. The increase in maintenance capital expenditures was primarily a result of a large number of

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scheduled unit overhauls that occurred in 2022 based on the age and operating hours of such units. The increase in growth capital expenditures was primarily related to an increase in the purchase of new compressor equipment to support organic growth.

### *Dividends*

Following the completion of this offering, our board of directors may elect to declare cash dividends on our common stock, subject to our compliance with applicable law, and depending on, among other things, economic conditions, our financial condition, results of operations, projections, liquidity, earnings, legal requirements, and restrictions in the agreements governing our indebtedness (as further discussed herein). If and to the extent our board of directors were to declare a cash dividend to our stockholders, we expect the dividend to be paid from our Discretionary Cash Flow. The timing, amount and financing of dividends, if any, will be subject to the discretion of our board of directors from time to time following this offering. See “Dividend Policy.”

Over the long-term, we expect to fund any dividends and our budgeted growth capital expenditures using our Discretionary Cash Flow. In the event our Discretionary Cash Flow is insufficient for the purpose of funding any such dividends and our budgeted growth capital expenditures for such period, we may fund such shortfall (i) with additional borrowings under our ABL Facility, which as of the completion of this offering is expected have \$400 million available (subject to the RP Availability Requirement) or (ii) reduce our growth capital expenditures for such period. Any such additional borrowings under our ABL Facility will result in an increase in our interest expense for such period. Any such reduction in our growth capital expenditures may result in lower growth in our revenue-generating horsepower in future periods.

### *Contractual Obligations*

Our material contractual obligations as of December 31, 2022 consisted of the following:

- Long-term debt of \$2.7 billion. Of such amount, \$1.8 billion was outstanding under our ABL Facility and was, as of December 31, 2022, due in 2024. In March 2023, the maturity of the ABL Facility was extended to March 2028. The remainder of such amount was outstanding under our Term Loan, which was, as of December 31, 2022, due in 2027. In March 2023, the maturity of the Term Loan was extended to September 2028; and
- Purchase commitments of \$166.9 million due within 12 months, that primarily consist of commitments to purchase compression units. See Note 10 (“Commitments and Contingencies”) to our Consolidated Financial Statements.

### *Other Commitments*

As of December 31, 2022, other commitments include operating lease payments totaling \$9.8 million. For a more detailed description of our lease obligations, see Note 5 (“Leases”) to our Consolidated Financial Statements.

### *Sources of Cash*

#### *Cash Flows*

The following table summarizes our cash flows for the years ended December 31, 2022, and 2021 (in thousands):

	<u>Year Ended December 31,</u>		<u>\$ Variance</u>
	<u>2022</u>	<u>2021</u>	
Net cash provided by operating activities	\$ 219,846	\$ 249,978	\$(30,132)
Net cash used in investing activities	(251,382)	(202,034)	(49,348)
Net cash provided by (used in) financing activities	23,172	(43,254)	66,426
Net (decrease) increase in cash and cash equivalents	<u>\$ (8,364)</u>	<u>\$ 4,690</u>	<u>\$(13,054)</u>



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### *Operating Activities*

The \$30.1 million decrease in net cash provided by operating activities for the year ended December 31, 2022 compared to the year ended December 31, 2021 was primarily due to an \$18.5 million decrease in net income, adjusted for non-cash items which is mainly related to a \$62.8 million increase in interest expense on additional borrowings; partially offset by an increase in income from operations, and an \$11.7 million decrease in working capital primarily consisting of an increase in inventory related to higher spare parts and component purchases in support of our operations; partially offset by an increase in accruals related to interest and other accrued expenditures.

### *Investing Activities*

The \$49.3 million increase in net cash used in investing activities for the year ended December 31, 2022 compared to the year ended December 31, 2021 was primarily due to a \$57.4 million increase in cash paid for capital assets, mainly related to additional purchases of units and maintenance expenditures for compression equipment. This was offset by an \$8.1 million increase in proceeds from the sale of assets.

### *Financing Activities*

The \$66.4 million change in net cash provided by financing activities for the year ended December 31, 2022 compared to the year December 31, 2021 was primarily due to an increase in borrowings on debt instruments of \$1,050.0 million, a decrease in contributions by Kodiak Holdings of \$24.0 million, and a decrease of \$1.1 million in equity instrument distributions. This was offset by an \$838.0 million increase in distributions to Kodiak Holdings (as discussed in Note 7 (“Debt and Credit Facilities”)), an increase in payments on debt instruments of \$95.5 million, and an increase of \$26.9 million payment of debt issuance cost.

### **Description of Indebtedness**

#### *Asset Based Lending Facility*

On March 22, 2023, we entered into the Fourth Amended and Restated ABL Credit Agreement, whereby we (among other things) upsized the aggregate revolving commitments to \$2.2 billion and made certain changes to our financial covenants and maturity date. The maturity date of the ABL Facility is March 22, 2028. See Note 7 (“Debt and Credit Facilities”) to our Consolidated Financial Statements.

The ABL Credit Agreement requires that we meet certain financial ratios and contains various additional covenants including, but not limited to, restrictions on the use of proceeds from borrowings and limitations on our ability to incur additional indebtedness, engage in transactions with affiliates, merge or consolidate, sell assets, make certain investments and acquisitions, make loans, grant liens and repurchase equity.

Commencing with the first fiscal quarter ending after the completion of this offering, our interest coverage ratio may not be less than 2.50 to 1.00, determined as of the last day of each fiscal quarter.

Commencing with the first fiscal quarter ending after the completion of this offering but prior to the occurrence of certain issuances of unsecured debt (for purposes of this description, an “unsecured debt issuance”), our Leverage Ratio (as defined in the ABL Credit Agreement), determined quarterly as of the last day of each fiscal quarter, may not exceed (i) 5.50 to 1.00 for the fiscal quarters ending March 31, 2023 and June 30, 2023, (ii) 5.25 to 1.00 for the fiscal quarters ending September 30, 2023 and December 31, 2023, (iii) 5.00 to 1.00 for the fiscal quarter ending March 31, 2024, (iv) 4.75 to 1.00 for the fiscal quarter ending June 30, 2024 and (v) 4.50 to 1.00 for each fiscal quarter ending on or after September 30, 2024.

Commencing with the first fiscal quarter ending after both the completion of this offering and the occurrence of an unsecured debt issuance, (a) our Leverage Ratio, determined quarterly as of the last day of each fiscal quarter, may not exceed (x) 5.75 to 1.00 for the first four fiscal quarters ending after the occurrence of the unsecured debt issuance and (y) 5.25 to 1.00 for each fiscal quarter ending thereafter; and (b) our Secured Leverage Ratio (as

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defined in the ABL Credit Agreement), determined quarterly as of the last day of each fiscal quarter, may not exceed (x) 3.50 to 1.00 for the first four fiscal quarters ending after the occurrence of the unsecured debt issuance and (y) 3.00 to 1.00 for each fiscal quarter ending thereafter.

The applicable interest rate under the ABL Facility is (i) in the case of SOFR-based borrowings, the Term SOFR or Daily Simple SOFR rate then in effect plus 0.10% plus a spread that depends on our leverage ratio as of the most recent determination date ranging from 2.00% if our leverage ratio is less than or equal to 3.00:1.00 to 3.00% if our leverage ratio is greater than 5.50:1.00 and (ii) in the case of prime rate-based borrowings, the prime rate (subject to a floor of 2.5%) plus a spread that depends on our leverage ratio as of the most recent determination date ranging from 1.00% if our leverage ratio is less than or equal to 3.00:1.00 to 2.00% if our leverage ratio is greater than 5.50:1.00.

After the completion of this offering, we expect to have approximately \$400 million of total availability under the ABL Facility and \$180 million of availability taking into account the RP Availability Requirement.

### *Term Loan*

On May 19, 2022, we entered into the Term Loan Credit Agreement whereby we increased the aggregate commitments under the Term Loan from \$400 million to \$1 billion and made certain changes to our financial covenants, including (i) the covenant restrictions were waived for the second quarter of 2022 and (ii) the maximum leverage ratio (calculated based on the ratio of Consolidated Total Debt to Consolidated EBITDA, each as defined in the Term Loan Credit Agreement) was increased to 7.50x through the first quarter of 2023; 7.25x thereafter through the third quarter of 2023; 7.00x thereafter through the first quarter of 2024; 6.75x thereafter through the first quarter of 2025; 6.50x thereafter through the first quarter of 2026; 6.25x thereafter through the fourth quarter of 2026; and 6.00x in the first quarter of 2027 and thereafter.

Borrowings under the Term Loan bear the following applicable rates: interest rates are based on 6.00% plus an alternate base rate and 7.00% plus an adjusted eurocurrency rate for alternate base rate ABR loans and eurocurrency loans, respectively. The interest rates were 10.67% and 7.13% as of December 31, 2022 and 2021, respectively.

Commencing with the fiscal year ending December 31, 2023, an excess cash flow payment that would reduce the principal balance of the Term Loan is potentially due 120 days following each preceding fiscal year end. This excess cash flow payment is based on the leverage ratio (calculated based on the ratio of Consolidated Total Debt to Consolidated EBITDA, each as defined in the Term Loan Credit Agreement) at year end. Based on the calculated ratio, a payment percentage is applied to the excess cash flow to determine the amount, if any, due. Historically, we have been granted a waiver and have not been liable for the potential payment percentage. We were in compliance with all financial covenants as of December 31, 2022 and 2021. On March 31, 2023, we entered into the First Amendment to the Term Loan, which extended the maturity of the Term Loan to September 22, 2028. We expect to repay a portion of the Term Loan with proceeds from this offering. See "Use of Proceeds." Additionally, pursuant to the Term Loan Transaction, all of the Company's and its subsidiaries' remaining obligations under the Term Loan will be assumed by a parent entity of Kodiak Holdings, and the Company's obligations thereunder will be terminated. Following the consummation of the Term Loan Transaction in connection with the completion of this offering, the Company will no longer be a borrower or guarantor under, nor otherwise be obligated with respect to the debt outstanding under the Term Loan.

### *Derivatives and Hedging Activities*

To mitigate a portion of the exposure to fluctuations in the variable interest rate of the ABL Facility and the Term Loan, and to minimize the risks and costs associated with financial activities, we have entered into various derivative instruments.

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Our interest rate swaps exchange variable interest rate with fixed interest rates. We have not designated any derivative instruments as hedges for accounting purposes and do not enter into such instruments for speculative or trading purposes. See Note 8 (“Derivative Instruments”) to our Consolidated Financial Statements.

### **Off-balance Sheet Arrangements**

We have not entered into any transactions, agreements or other contractual arrangements that would result in off-balance sheet liabilities.

### **Non-GAAP Financial Measures**

Management uses a variety of financial and operating metrics to analyze our performance. These metrics are significant factors in assessing our operating results and profitability and include the non-GAAP financial measures of Adjusted Gross Margin, Adjusted Gross Margin Percentage, Adjusted EBITDA, Adjusted EBITDA Percentage, Discretionary Cash Flow and Free Cash Flow.

#### ***Adjusted Gross Margin and Adjusted Gross Margin Percentage***

Adjusted Gross Margin is a non-GAAP financial measure. We define Adjusted Gross Margin as revenue less cost of operations, exclusive of depreciation and amortization expense. We believe that Adjusted Gross Margin is useful as a supplemental measure to investors of our operating profitability. Adjusted Gross Margin is impacted primarily by the pricing trends for service operations and cost of operations, including labor rates for service technicians, volume and per compression unit costs for lubricant oils, quantity and pricing of routine preventative maintenance on compression units and property tax rates on compression units. Adjusted Gross Margin should not be considered an alternative to, or more meaningful than, gross margin or any other measure of financial performance presented in accordance with GAAP. Moreover, Adjusted Gross Margin as presented may not be comparable to similarly titled measures of other companies. Because we capitalize assets, depreciation and amortization of equipment is a necessary element of our costs. To compensate for the limitations of Adjusted Gross Margin as a measure of our performance, we believe that it is important to consider gross margin determined under GAAP, as well as Adjusted Gross Margin, to evaluate our operating profitability.

#### ***Adjusted Gross Margin for Compression Operations***

	Year Ended December 31,	
	2022	2021
	(in thousands)	
Total revenues	\$ 654,957	\$ 583,070
Cost of operations (excluding depreciation and amortization)	(225,715)	(192,813)
Depreciation and amortization	<u>(174,463)</u>	<u>(160,045)</u>
Gross Margin	\$ 254,779	\$ 230,212
Gross Margin Percentage	38.9%	39.5%
Depreciation and amortization	<u>174,463</u>	<u>160,045</u>
Adjusted Gross Margin	\$ 429,242	\$ 390,257
Adjusted Gross Margin Percentage	65.5%	66.9%

(1) Calculated using Adjusted Gross Margin for Compression Operations as a percentage of total Compression Operations revenues.

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### *Adjusted Gross Margin for Other Services*

	Year Ended December 31,	
	2022	2021
	(in thousands)	
Total revenues	\$ 52,956	\$ 23,305
Cost of operations (excluding depreciation and amortization)	(41,636)	(17,364)
Depreciation and amortization	—	—
Gross Margin	\$ 11,320	\$ 5,941
Gross Margin Percentage	21.4%	25.5%
Depreciation and amortization	—	—
Adjusted Gross Margin	\$ 11,320	\$ 5,941
Adjusted Gross Margin Percentage	21.4%	25.5%

(1) Calculated using Adjusted Gross Margin for Other Services as a percentage of total Other Services revenues.

### *Adjusted EBITDA and Adjusted EBITDA Percentage*

We define Adjusted EBITDA as net income before interest expense, net; tax expense (benefit); depreciation and amortization; unrealized loss (gain) on derivatives; equity compensation expense; transaction expenses; loss (gain) on sale of assets; and impairment of compression equipment. We define Adjusted EBITDA Percentage as Adjusted EBITDA divided by total revenues. Adjusted EBITDA and Adjusted EBITDA Percentage are used as supplemental financial measures by our management and external users of our financial statements, such as investors, commercial banks and other financial institutions, to assess:

- the financial performance of our assets without regard to the impact of financing methods, capital structure or historical cost basis of our assets;
- the viability of capital expenditure projects and the overall rates of return on alternative investment opportunities;
- the ability of our assets to generate cash sufficient to make debt payments and pay dividends; and
- our operating performance as compared to those of other companies in our industry without regard to the impact of financing methods and capital structure.

We believe that Adjusted EBITDA and Adjusted EBITDA Percentage provide useful information to investors because, when viewed with our GAAP results and the accompanying reconciliation, they provide a more complete understanding of our performance than GAAP results alone. We also believe that external users of our financial statements benefit from having access to the same financial measures that management uses in evaluating the results of our business.

Adjusted EBITDA and Adjusted EBITDA Percentage should not be considered as alternatives to, or more meaningful than, revenues, net income, operating income, cash flows from operating activities or any other measure of financial performance presented in accordance with GAAP as measures of operating performance and liquidity. Moreover, our Adjusted EBITDA and Adjusted EBITDA Percentage as presented may not be comparable to similarly titled measures of other companies.

Given we are a capital intensive business, depreciation, impairment of compression equipment and the interest cost of acquiring compression equipment are necessary elements of our costs. To compensate for these limitations, we believe that it is important to consider both net income and net cash provided by operating activities determined under GAAP, as well as Adjusted EBITDA and Adjusted EBITDA Percentage, to evaluate our financial performance and our liquidity. Our Adjusted EBITDA and Adjusted EBITDA Percentage exclude some, but not all, items that affect net income and net cash provided by operating activities, and these measures may vary among companies. Management

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compensates for the limitations of Adjusted EBITDA and Adjusted EBITDA Percentage as an analytical tool by reviewing the comparable GAAP measures, understanding the differences between the measures and incorporating this knowledge into management's decision-making processes.

The following table reconciles net income, the most directly comparable GAAP financial measure, to Adjusted EBITDA, its most directly comparable Non-GAAP financial measure, for each of the periods presented (in thousands):

	Year Ended December 31,	
	2022	2021
Net income	\$ 106,265	\$ 180,963
Interest expense, net	170,114	107,293
Tax expense (benefit)	33,092	(58,573)
Depreciation and amortization	174,463	160,045
Unrealized gain on derivatives	(87,363)	(40,827)
Equity compensation expense (1)	971	1,224
Transaction expenses (2)	2,370	1,351
(Gain) loss on sale of assets	(874)	426
Impairment of compression equipment (3)	—	9,107
Adjusted EBITDA	<u>\$ 399,038</u>	<u>\$ 361,009</u>
Adjusted EBITDA Percentage	56.4%	59.5%

- (1) For the years ended December 31, 2022 and 2021, respectively, there were \$1.0 million and \$1.2 million of non-cash adjustments for equity compensation expense related to the time-based vesting of our B-Unit shares.
- (2) Represents certain costs associated with non-recurring professional services, our equity owners' expenses and other costs. We believe it is useful to investors to exclude these expenses.
- (3) Represents non-cash charges incurred to write down long-lived assets with recorded values that are not expected to be recovered through future cash flows.

The following table reconciles net cash provided by operating activities to Adjusted EBITDA for each of the periods presented (in thousands):

	Year Ended December 31,	
	2022	2021
Net cash provided by operating activities	\$ 219,846	\$ 249,978
Interest expense, net	170,114	107,293
Tax expense (benefit)	33,092	(58,573)
Deferred tax provision (benefit)	(27,301)	60,972
Transaction expenses	2,370	1,351
Other	(17,130)	(6,406)
Change in operating assets and liabilities	18,047	6,394
Adjusted EBITDA	<u>\$ 399,038</u>	<u>\$ 361,009</u>

### **Discretionary Cash Flow**

We define Discretionary Cash Flow as net cash provided by operating activities less maintenance capital expenditures, transaction expenses, certain changes in operating assets and liabilities and certain other expenses. We believe Discretionary Cash Flow is a useful liquidity and performance measure and supplemental financial measure for us and our investors in assessing our ability to pay cash dividends to our stockholders, make growth capital expenditures and assess our operating performance. Our ability to pay dividends is subject to limitations due to restrictions contained in our ABL Credit Agreement as further described elsewhere herein. Discretionary Cash Flow is presented for supplemental informational purposes only and should not be considered a substitute

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for financial information presented in accordance with GAAP, such as revenues, net income, operating income (loss) or cash flows from operating activities. Discretionary Cash Flow as presented may not be comparable to similarly titled measures of other companies.

The following table reconciles Net cash provided by operating activities, to Discretionary Cash Flow and Free Cash Flow, for each of the periods presented (in thousands):

	Year Ended December 31,	
	2022	2021
Net cash provided by operating activities	\$ 219,846	\$ 249,978
Maintenance capital expenditures	(48,313)	(38,088)
Transaction expenses	2,370	1,351
Change in operating assets and liabilities	18,047	6,394
Proceeds from sale of capital assets	8,082	13
Non-cash accrued capital expenditures	(1,918)	(6,961)
Other(1)	(2,529)	112
Discretionary Cash Flow	\$ 195,585	\$ 212,799
Growth capital expenditures(2)	(211,035)	(163,845)
Free Cash Flow	\$ (15,450)	\$ 48,953

(1) Includes non-cash lease expense, provision for bad debt, inventory reserve and (gain) loss on sales of assets.

(2) Includes \$7.4 million and \$4.4 million of non-unit growth capital expenditures for the years ended December 31, 2022 and 2021, respectively.

### Free Cash Flow

We define Free Cash Flow as net cash provided by operating activities less maintenance and growth capital expenditures, transaction expenses, certain changes in operating assets and liabilities and certain other expenses. We believe Free Cash Flow is a liquidity measure and useful supplemental financial measure for us and investors in assessing our ability to pursue business opportunities and investments to grow our business and to service our debt. Free Cash Flow is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP, such as revenues, net income (loss), operating income (loss) or cash flows from operating activities. Free Cash Flow as presented may not be comparable to similarly titled measures of other companies.

The following table reconciles Net income to Discretionary Cash Flow and Free Cash Flow, for each of the periods presented (in thousands):

	Year Ended December 31,	
	2022	2021
Net income	\$ 106,265	\$ 180,963
Depreciation and amortization	174,463	160,045
Unrealized (gain) on derivatives	(87,363)	(40,827)
Deferred tax provision (benefit)	27,301	(60,972)
Amortization of debt issuance costs	13,727	6,944
Equity compensation expense(1)	971	1,224
Transaction expenses(2)	2,370	1,351
Proceeds from sale of capital assets	8,082	13
Non-cash accrued capital expenditures	(1,918)	(6,961)
Impairment of compression equipment(3)	—	9,107
Maintenance capital expenditures	(48,313)	(38,088)
Discretionary Cash Flow	\$ 195,585	\$ 212,799
Growth capital expenditures(4)	(211,035)	(163,845)
Free Cash Flow	\$ (15,450)	\$ 48,953

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- (1) For the years ended December 31, 2022 and 2021, there were \$1.0 million and \$1.2 million, respectively, of non-cash adjustments for equity compensation expense related to the Company's time-based vested shares.
- (2) Represents certain costs associated with non-recurring professional services, our equity owners' expenses and other costs. We believe it is useful to investors to exclude these expenses.
- (3) Represents non-cash charges incurred to write down long-lived assets with recorded values that are not expected to be recovered through future cash flows.
- (4) Includes \$7.4 million and \$4.4 million of non-unit growth capital expenditures for the years ended December 31, 2022 and 2021, respectively.

### Selected Quarterly Consolidated Financial Data (unaudited) and Operational Highlights

The following table contains selected quarterly unaudited financial information and operational highlights for the years ended December 31, 2022 and 2021. The Company believes that the following information reflects all normal recurring adjustments necessary for a fair presentation of the information for the periods presented. The operating results for any quarter are not necessarily indicative of results for any future period.

<b>2022</b> <i>(in thousands)</i>	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Third Quarter</b>	<b>Fourth Quarter</b>
<b>Statement of operations data:</b>				
Revenues:				
Compression Operations	\$ 157,495	\$ 162,808	\$ 163,662	\$ 170,992
Other Services	10,846	14,343	18,983	8,784
Total revenues	168,341	177,151	182,645	179,776
Cost of operations:				
Compression Operations	(52,937)	(58,336)	(55,872)	(58,570)
Other Services	(8,826)	(11,775)	(14,038)	(6,997)
Total cost of operations	(61,763)	(70,111)	(69,910)	(65,567)
Depreciation and amortization	(42,405)	(43,396)	(44,111)	(44,551)
Gross Margin	64,173	63,644	68,624	69,658
Depreciation and amortization	42,405	43,396	44,111	44,551
Adjusted Gross Margin	\$ 106,578	\$ 107,040	\$ 112,735	\$ 114,209
<b>Operating data (at period end):</b>				
Revenue-generating horsepower	3,032,511	3,074,613	3,098,545	3,131,631
Horsepower utilization	99.9%	99.7%	99.8%	99.9%
<b>2021</b> <i>(in thousands)</i>				
<b>Statement of operations data:</b>				
Revenues:				
Compression Operations	\$ 137,445	\$ 142,622	\$ 148,595	\$ 154,408
Other Services	1,567	2,829	9,098	9,811
Total revenues	139,012	145,451	157,693	164,219
Cost of operations:				
Compression Operations	(43,269)	(47,929)	(51,124)	(50,491)
Other Services	(1,115)	(1,868)	(6,575)	(7,806)
Total cost of operations	(44,384)	(49,797)	(57,699)	(58,297)
Depreciation and amortization	(38,049)	(39,126)	(40,789)	(42,081)
Gross Margin	56,579	56,528	59,205	63,841
Depreciation and amortization	38,049	39,126	40,789	42,081
Adjusted Gross Margin	\$ 94,628	\$ 95,654	\$ 99,994	\$ 105,922
<b>Operating data (at period end):</b>				
Revenue-generating horsepower	2,815,051	2,862,041	2,910,398	2,933,203
Horsepower utilization	99.3%	99.8%	99.8%	99.9%

### **Critical Accounting Policies and Estimates**

The discussion and analysis of our financial condition and results of operations is based upon our certain financial estimates, judgment and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods presented. We base our estimates on historical experience, available information and various other assumptions we believe to be reasonable under the circumstances. On an ongoing basis, we evaluate our estimates; however, actual results may differ from these estimates under different assumptions or conditions. The accounting policies that we believe require management's most difficult, subjective or complex judgments and are the most critical to its reporting of results of operations and financial position are as follows:

#### ***Business Combinations and Goodwill***

Goodwill acquired in connection with business combinations represents the excess of consideration over the fair value of net assets acquired. Certain assumptions and estimates are employed in determining the fair value of assets acquired and liabilities assumed. Goodwill is not amortized, but is reviewed for impairment annually, or more frequently if impairment indicators arise that suggest the carrying value of goodwill may not be recovered.

#### ***Goodwill - Impairment Assessments***

We evaluate goodwill for impairment annually and whenever events or changes indicate that it is more likely than not that the fair value at the reporting unit level could be less than its carrying value (including goodwill). We estimate the fair value based on a number of factors, including macroeconomic conditions, industry and market considerations, cost factors, overall financial performance and Company specific events. Estimating projected cash flows requires us to make certain assumptions as it relates to future operating performance. Application of the goodwill impairment test requires judgments, including a qualitative assessment to determine whether there are any impairment indicators, and determining the fair value of the reporting unit. A number of significant assumptions and estimates are involved in the application of the income approach to forecast future cash flows, including revenue and operating income growth rates, discount rates and other factors. While we believe that our estimates of current value are reasonable, if actual results differ from the estimates and judgments used including such items as future cash flows and the volatility inherent in markets which we serve, impairment charges against the carrying value of those assets could be required in the future.

We performed a qualitative test and noted that there were no events or circumstances occurring that indicated that the fair value of the entity may be below its carrying amount. No goodwill impairment was recorded for the years ended December 31, 2022 and December 31, 2021, respectively.

#### ***Impairment of Long-Lived Assets***

Long-lived assets, including property, plant, and equipment, and other finite-lived identifiable intangible assets, are reviewed for impairment whenever events or changes in circumstances, including the removal of compression units from active fleet, indicate that the carrying amount of an asset may not be recoverable. Such events and changes may include significant changes in performance relative to expected operating results, significant changes in asset use, significant negative industry or economic trends, and changes in our business strategy, among others. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to estimated future undiscounted net cash flows expected to be generated by the asset. Impairment losses are recognized in the period in which the impairment occurs and represent the excess of the asset carrying value over its fair value estimated future undiscounted net cash flows. No impairment was recorded for the year ended December 31, 2022. In December 2021, certain compression equipment was identified as not being part of our ongoing operations. As such, a recoverability assessment was performed, and fair value was assessed using a combination of a market and cost approach. Based on the assessed fair value an impairment expense of \$9.1 million was recorded for the year end December 31, 2021.



***Estimated Useful Lives of Property, Plant and Equipment***

Property, plant and equipment is carried at cost. Depreciation is computed on a straight-line basis using useful lives that are estimated based on assumptions and judgments that reflect both historical experience and expectations regarding future use of our assets. The use of different assumptions and judgments in the calculation of depreciation, especially those involving useful lives, would likely result in significantly different net book values of our assets and results of operations.

***Commitments and Contingencies***

From time to time, we may be involved in various claims and litigation arising in the ordinary course of business. Additionally, our compliance with state and local sales tax regulations is subject to audit by various taxing authorities. Certain taxing authorities have either claimed or issued an assessment that specific operational processes, which we and others in our industry regularly conduct, result in transactions that are subject to state sales taxes. We and others in our industry have disputed these claims and assessments based on either existing tax statutes or published guidance by the taxing authorities.

We utilize both internal and external counsel in evaluating our potential exposure to adverse outcomes from orders, judgments or settlements. While we are unable to predict the ultimate outcome of these actions, the accounting standard for contingencies requires management to make judgments about future events that are inherently uncertain. We are required to record a loss during any period in which we believe a contingency is probable and can be reasonably estimated. To the extent that actual outcomes differ from our estimates, or additional facts and circumstances cause us to revise our estimates, our earnings will be affected. We record legal costs as incurred, and all recorded legal liabilities are revised, as required, as better information becomes available to us.

As of December 31, 2022, based on the information currently available, the Company has accrued a contingent liability of approximately \$27.8 million relating to the Sales Tax Audit for the periods currently under audit classified in accrued liabilities on the consolidated balance sheet.

For the year ended December 31, 2020, we wrote off an outstanding receivable balance of \$3.7 million, due to us from a previous acquisition, to bad debt expense. Additionally, we recorded a contingent liability of \$3.7 million related to the remaining 50% of the receivable balance due to the seller in accrued liabilities. As of December 31, 2022, none of the outstanding receivables had been collected.

As of December 31, 2022, there are no other legal matters whose resolution could have a material adverse effect on the consolidated financial statements.

***Fair Value of Derivative Instruments***

We use any of three valuation approaches to measure fair value: the market approach, the income approach, and the cost approach in determining the appropriate valuation methodologies based on the nature of the asset or liability being measured and the reliability of the inputs used in arriving at fair value.

We record derivative instruments at fair value using level 2 inputs of the fair value hierarchy. The interest rate swaps and interest rate collar are valued using a discounted cash flow analysis on the expected cash flows of each derivative using observable inputs including interest rate curves and credit spreads.

As of December 31, 2022, \$65.3 million was recorded for the fair value of the asset of the derivative instruments compared to \$22.0 million liability of the derivative instruments recorded in 2021.

***Recently Issued Accounting Pronouncements***

In June 2016, the FASB issued ASU2016-13, Financial Instruments — Credit Losses (“Topic 326”): Measurement of Credit Losses on Financial Instruments. Topic 326 states the Company will be required to use an

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expected-loss model for its marketable debt securities, available-for sale, which requires that credit losses be presented as an allowance rather than as an impairment write-down. Reversals of credit losses (in situations in which the estimate of credit losses declines) is permitted in the reporting period that the change occurs. Current U.S. GAAP prohibits reflecting reversals of credit losses in current period earnings. The amendments in this update are effective for the Company for fiscal years beginning after December 15, 2022. The Company does not expect the amendments to have a material impact on its consolidated financial statements.

In March 2020, the FASB issued ASUNo. 2020-03, Codification Improvements to Financial Instruments, (“ASU 2020-03”). ASU 2020-03 improves and clarifies various financial instruments topics, including the current expected credit loss standard (“CECL”). ASU 2020-03 includes seven different issues that describe the areas of improvement and the related amendments to GAAP, intended to make the standards easier to understand and apply by eliminating inconsistencies and providing clarifications. This guidance is effective for the Company for fiscal years beginning after December 15, 2022. The Company is currently assessing the impact of this guidance on its consolidated financial statements.

### **Qualitative and Quantitative Disclosures About Market Risk**

#### ***Interest Rate Risk***

Our primary exposure to interest rate risk results from outstanding borrowings under the ABL Facility and Term Loan, each of which have a floating interest rate components. We use derivative instruments to manage our exposure to fluctuations in these variable interest rate components. As of December 31, 2022 we had \$1.8 billion outstanding under the ABL Facility and \$1.325 billion notional amounts of floating to fixed rate swaps which we attribute to our borrowings under our ABL Facility. As of December 31, 2021, we had \$1.5 billion outstanding under the ABL Facility and \$800.0 million notional amounts of floating to fixed rate swaps which we attribute to our borrowings under our ABL Facility. Excluding fixed payments paid on the fixed-rate swaps, the average annualized interest rate incurred on the ABL Facility for borrowings during the year ended December 31, 2022 was approximately 4.07%. We estimate that a 1.0% increase in the applicable average interest rates for the year ended December 31, 2022 would have resulted in an estimated \$16.3 million increase in interest expense.

As of December 31, 2022, we had \$1.0 billion outstanding under the Term Loan. Interest on our Term Loan is comprised of an interest rate that is primarily fixed, but does contain a less significant variable component which exposes us to fluctuations in interest expense. We have \$350.0 million notional amounts of floating to fixed rate swaps and a \$400.0 million notional amount derivative collar with a floor of 1.70% and a cap of 2.10% that we attribute to our Term Loan. Excluding the amount paid on the derivative collar, the average annualized interest rate incurred on the Term Loan for borrowings during the year ended December 31, 2022 was 9.30%. We estimate that a 1.0% increase in the applicable average interest rates for the year ended December 31, 2022 would have resulted in an estimated \$7.8 million increase in interest expense.

#### ***Counterparty Risk***

Our credit exposure generally relates to receivables for services provided. If any significant customer of ours should have credit or financial problems resulting in a delay or failure to pay the amount it owes us, it could have a material adverse effect on our business, financial condition, results of operations and cash flows. Additionally, if any significant vendor of ours should have financial problems or operational delays, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

#### ***Concentration Risk***

For the years ended December 31, 2022 and 2021, our four largest customers accounted for approximately 39% and 38%, respectively of our recurring revenues, with no single customer account for more than 14% for both ending periods. If any significant customer of ours should discontinue their partnership with us, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.

***Commodity Price Risk***

Market risk is the risk of loss arising from adverse changes in market rates and prices. We do not take title to any natural gas or oil in connection with our services and, accordingly, have no direct exposure to fluctuating commodity prices. However, the demand for our compression operations depends upon the continued demand for, and production of, natural gas and oil. Sustained low natural gas or oil prices over the long term could result in a decline in the production of natural gas or oil, which could result in reduced demand for our compression operations.

**Internal Controls and Procedures**

We are not currently required to comply with the SEC's rules implementing Section 404 of Sarbanes-Oxley, and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. Upon becoming a public company, we will be required to comply with the SEC's rules implementing Section 302 of the Sarbanes-Oxley Act, which will require our management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of our internal control over financial reporting. We will not be required to make our first assessment of the effectiveness of our internal control over financial reporting under Section 404 until our second annual report on Form 10-K after we become a public company.

Further, our independent registered public accounting firm is not yet required to formally attest to the effectiveness of our internal controls over financial reporting, and will not be required to do so for as long as we are an "emerging growth company" pursuant to the provisions of the JOBS Act. See "Prospectus Summary—Emerging Growth Company".

## BUSINESS

### Company Overview

We are a leading operator of contract compression infrastructure in the U.S. Our compression operations are critical to our customers' ability to reliably produce natural gas and oil to support growing global energy demand. We are a market leader in the Permian Basin, which is the largest producing natural gas and oil basin in the U.S. We operate our large horsepower compression units under stable, fixed-revenue contracts with blue-chip upstream and midstream customers. Our compression assets have long useful lives consistent with the expected production lives of the key regions where we operate. We believe our partnership-focused business model positions us as the preferred contract compression operator for our customers and creates long-standing relationships. We strategically invest in the training, development, and retention of our highly skilled and dedicated employees and believe their expertise and commitment to excellence enhances and differentiates our business model. Furthermore, we maintain an intense focus on being one of the most sustainable and responsible operators of contract compression infrastructure.

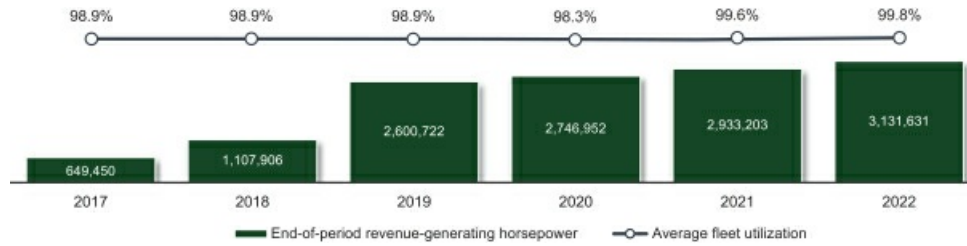
Eighty-four percent of our compression assets are strategically deployed in the Permian Basin and Eagle Ford Shale, which the EIA expects to maintain significant production volumes through at least 2050. We believe these two regions have the largest and lowest-cost unconventional resources in the U.S. Additionally, there are significant LNG export projects in development, and overall LNG capacity is expected to meaningfully grow over the next decade. We expect this to translate into Permian Basin and Eagle Ford Shale natural gas production growth, requiring substantial additional compression horsepower. We believe these regions will play an increasingly important role in global energy security as the world continues to require reliable and growing natural gas and oil production to support increasing global energy demand.

We are a leader in large horsepower compression, with approximately 81% of our approximately 3.1 million horsepower fleet comprised of compression units larger than 1,000 horsepower. Due to lower initial reservoir pressures, production from unconventional resources, such as the Permian Basin and Eagle Ford Shale, requires significantly more compression horsepower than from conventional production, which supports our large horsepower strategy. Additionally, increased demand for large horsepower infrastructure is driven by multi-well pad drilling, overall well density, and large-scale gathering systems. We believe large horsepower compression units serve more stable applications, receive longer initial contracts, are more likely to be renewed, and produce higher margins, ultimately generating recurring cash flow and return on invested capital.

We believe the quality of our relationships with blue-chip customers, the reliability of our compression operations and the structure of our contracts produce stable, recurring cash flow. We derive substantially all of our revenues from fixed-revenue contracts. Approximately 39% of our revenues come from our four largest customers for the year ended December 31, 2022, which are all S&P 500 constituents and investment grade rated upstream and midstream companies in the Permian Basin. Our partnership-focused business model provides best-in-class reliability, which we believe is critical to securing and maintaining long-term relationships with our customers. Our assets and supporting operations have an industry-leading historical average mechanical availability (which measures the percentage of time in a given period that compression operations are being provided or are capable of being provided) of over 99.5% since inception. The strength of our customer relationships and contract structures, combined with the reliability and critical nature of our assets, have resulted in a five-year 99% average fleet utilization (which measures the revenue-generating horsepower divided by our total fleet horsepower).

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Below is a presentation of our average fleet utilization and our total revenue-generating horsepower since 2017:



Countries around the world are moving toward a lower carbon future while providing secure low-cost sources of energy for their citizens. Recent world events have resulted in renewed attention on environmentally responsible and secure energy production provided by the U.S., and we are committed to continuing to play a meaningful role in our industry. We are focused on being the most resilient and sustainable enterprise, and we have ambitious sustainability goals. We will continue to innovate processes and technologies to assist our customers in meeting their emission reduction goals, while striving to provide a safe, inclusive and supportive environment for our employees and the communities where we operate. Finally, we intend to do business with integrity and ethics and maintain a corporate governance structure that includes appropriate oversight and transparency in all aspects of our operations.

### Our Business Model

Our business model is focused on large horsepower contract compression operations, which we believe is central to our customers' efforts to meet the expected growing natural gas and oil demand from the Permian Basin and other regions in the U.S. Large horsepower compression operations allow us to enter into longer-term contracts that we believe are more predictable and stable for us and our customers. We believe our focus on customer service in top-tier regions, and the critical nature of our assets results in long-term customer relationships and financial stability for our business.

Our preventative and predictive maintenance and overhaul programs are designed to maximize mechanical availability and extend the useful lives of our assets over multiple decades. These programs allow us to contract all of our compression assets at rates that are comparable to our newest compression units. Our standardized fleet also enables streamlined and systematic training and on-site maintenance maximizing uptime for our customers. We are developing advanced systems to proactively analyze and monitor the operating conditions of our equipment, allowing for maximum uptime for our customers. Our maintenance culture is foundational to our partnership-focused business model and allows us to provide over 99.5% mechanical availability to our customers.

We believe that our customers will continue to outsource their compression infrastructure needs allowing them to limit their capital investments in compression equipment and increase their free cash flow or deploy capital on projects directly related to their core businesses. By outsourcing compression infrastructure, customers can efficiently address their changing compression requirements over time. Additionally, our customers benefit from the technical skills of our specialized personnel, and our focus on reliability and emissions reduction helps them advance their sustainability goals.

We manage our business through two operating segments: Compression Operations and Other Services. Compression Operations consists of operating company-owned and customer-owned compression infrastructure for our customers, pursuant to fixed-revenue contracts to enable the production, gathering and transportation of natural gas and oil. Other Services consists of a full range of contract services to support the needs of our customers, including station construction, maintenance and overhaul, and other ancillary time and material based offerings. Our Other Services offerings are often cross-sold, bolstering cash flow generation with no associated capital expenditures.

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We have a proven track record of steady growth, cash flow generation, strong financial results driven by increasing overall compression demand (particularly for large horsepower compression units), long-standing customer relationships, the fixed-revenue nature of our contracts and best-in-class reliability of our assets. From 2021 to 2022:

- Our revenue-generating horsepower increased by 7% from 2.9 million horsepower to 3.1 million horsepower;
- Our revenue increased by 17% from \$606.4 million to \$707.9 million; our net income decreased from \$181.0 million to \$106.3 million;
- Our Adjusted Gross Margin increased by 11% from \$396.2 million to \$440.6 million; and
- Our Adjusted EBITDA increased by 11% from \$361.0 million to \$399.0 million.

Additionally, on March 22, 2023, the aggregate commitments under our ABL Facility, which matures in March 2028, were upsized to \$2.2 billion. After the completion of this offering, we expect to have approximately \$400 million of total availability under the ABL Facility, subject to certain restrictions described herein which may reduce such amounts available. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Description of Indebtedness.”

Adjusted Gross Margin and Adjusted EBITDA are not financial measures calculated in accordance with GAAP, but we believe they provide important perspective regarding our operating results and cash flow. “—Non-GAAP Financial Measures” below contains a descriptions of Adjusted Gross Margin and Adjusted EBITDA and reconciliations to the most directly comparable financial measures calculated and presented in accordance with GAAP.

### Our Assets

As of December 31, 2022, our compression asset base consists of 3,021 revenue-generating compression units amounting to approximately 3.1 million horsepower of owned compression, with an average of 1,037 horsepower per revenue-generating compression unit. The average age of our fleet is 3.5 years and 85% of our compression fleet is less than five years old. Approximately 81% of our fleet is comprised of large horsepower compression units, aligning with the evolving industry demand. Large compression units enable multi-well pad development, reduce downtime, improve overall unit economics and provide lower emissions per horsepower relative to small horsepower compression units. Fleet standardization and continued geographic concentration allow us to lower cost of operations and improve margins through economies of scale.

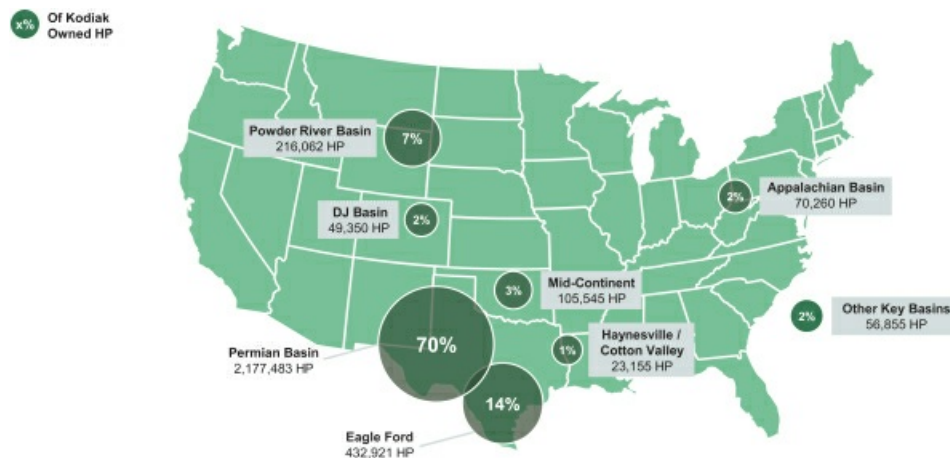
Below is a tabular overview of our fleet by horsepower as of December 31, 2022.

	<u>Fleet Horsepower</u>	<u>Percent of Horsepower</u>	<u>Utilization (Period End)</u>
<b>Large horsepower</b>			
>1,000 horsepower	2,524,522	81%	99.9%
<b>Medium &amp; small horsepower</b>			
<1,000 horsepower	609,784	19%	99.9%
<b>Total</b>	3,134,306	100%	

We have standardized our fleet and operational processes, creating an effective and seamless fleet maintenance program, spare parts inventory and efficient and resilient supply chain. Additionally, our assets are designed to serve a wide variety of large horsepower applications, such as gathering, processing and transportation of natural gas and centralized gas lift of oil.

**Our Key Areas of Operation**

The following map illustrates our key areas of operation and corresponding revenue-generating horsepower:



HP = Revenue-generating horsepower

We strategically focus on deploying our compression assets in the most economic areas of leading onshore U.S. regions with the longest production horizons. We believe partnering with top-tier customers in regions with multi-decade resource life will support continued strong utilization and recontracting of our assets through industry and broader macroeconomic cycles.

Eighty-four percent of our compression assets are deployed in the Permian Basin and Eagle Ford Shale, which the EIA expects to maintain significant production volumes through at least 2050. Based on data from the EIA, these two regions represented 29% of U.S. Lower 48 natural gas production and 66% of U.S. Lower 48 oil production in 2022.

The Permian Basin and Eagle Ford Shale are connected through long-haul natural gas pipelines to the nearby U.S. Gulf Coast and are critical natural gas supply basins for the LNG export capacity expansion occurring in the region. In addition to the Permian Basin and Eagle Ford Shale, we have assets in the Powder River Basin, Mid-Continent Region, DJ Basin, Appalachian Basin, Barnett Shale / East Texas Region and Black Warrior Basin. Below is a table showing revenue-generating horsepower in our areas of operations as of December 31, 2022.

	Revenue-Generating Horsepower	Percent of Horsepower
Permian Basin	2,177,483	70%
Eagle Ford Shale	432,921	14%
Other Areas of Operation	521,227	16%
Total	3,131,631	100%

**Our Customers and Contracts**

We have developed long-term commercial relationships with premier upstream and midstream customers in our key areas of operations. We believe that alignment with our customers’ goals is a key differentiator to our business, and we have built a reputation backed by our leading mechanical availability to earn and strengthen customer loyalty. We believe mechanical availability is the key consideration for a customer in making its contract compression decisions. It is our priority to maintain over 99.5% mechanical availability in addition to

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providing uninterrupted “first-call” service for any and all downtime events across our fleet. This commitment to mechanical availability maximizes total customer operational uptime and revenue stability. We believe these factors make us the leading choice for our customers.

We have developed a systematic and selective customer evaluation methodology, based on key criteria including customers’ credit rating, size, and geological asset quality. Our four largest customers for the year ended December 31, 2022 are all S&P 500 constituents and investment grade rated upstream and midstream companies in the Permian Basin. Approximately 84% of initially contracted large horsepower for our top four customers is still in service with those customers today. The table below provides further information on our top four customers:

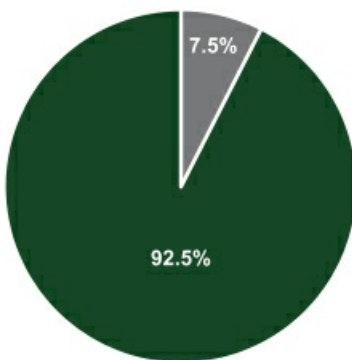
Top 4 Customer Overview				
Top 4 customers	Customer A	Customer B	Customer C	Customer D
Primary geography	Midland Basin	Delaware Basin	Delaware Basin	Delaware Basin
Credit rating (Moody’s / S&P)	Baa1/BBB	A3/A-	Baa2/BBB	Baa3/BBB-
HP CAGR since start of relationship	48%	57%	21%	54%
% of 2022 compression operations revenue	13%	11%	9%	6%
Length of relationship (years)	10	9	9	9

Our contracts are designed to provide us with predictable, stable, and recurring cash flows through industry and broader macroeconomic cycles. To maximize cash flow stability our contracts typically include:

- fixed-revenue structures similar to midstream take-or-pay contracts;
- annual built-in inflation adjustments;
- pre-billing structure for the following month’s service fees;
- primary contract terms of one to seven years in duration (with large horsepower compression units typically contracted for a primary term of three years); and
- provisions requiring customers to pay for all mobilization and demobilization costs, which can be significant.

**2022 Period End Horsepower by Contract Structure**

■ Avg. % Month to Month Contract      ■ Avg. % Term Contract





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Additionally, because of our historically high mechanical availability and the multi-decade resource life in our key areas of operations, our contracts are typically renewed multiple times.

Our customer selection methodology and standardized contract structure have helped insulate our business from industry and broader macroeconomic cycles and have enabled us to drive better customer retention and increase our cash flow.

### **Our Sustainability Leadership**

The energy industry is in a pivotal time as the world moves toward ambitious emissions reduction targets while maintaining affordable and reliable sources of energy. We maintain an intense focus on being one of the most sustainable and responsible operators of contract compression infrastructure. Furthermore, we strive to provide a safe, inclusive and supportive environment for the communities in which we live and the customers and employees with whom we work. We seek to continuously improve our operations, relationships with our stakeholders and ultimately maintain our position as a sustainable and responsible operator of contract compression infrastructure. We have a demonstrated track record of establishing programs and setting tangible targets to achieve initiatives for continuous improvement in each of these areas to create value for all of our stakeholders.

Ninety-six percent of our current fleet is capable of operating in the most stringent emissions regulatory environments in the U.S., which require emissions of 0.5g NOx or less. We also believe it is imperative that we continue to develop and implement innovative strategies and technologies that further reduce emissions intensity and improve the operational reliability of our business. Many of our upstream and midstream customers have significantly increased their commitments to reduce emissions and rely on us to help them achieve their reduction goals. We have also developed several technologies targeting additional emissions reductions including ecoView and other fugitive methane reduction solutions. EcoView is our proprietary emissions monitoring and leak detection system that we have deployed in the field. We expect to begin broad scale integration of ecoView across our large horsepower compression fleet during 2023.

Electric motor drive compression is also part of our long-term strategy to reduce emissions intensity across our fleet. We have begun deploying electric motor drive compression with select customers and have additional assets that we will deploy in the near future under long-term fixed-revenue contracts. In addition, in select geographic areas where electric infrastructure exists, we assist our customers in building out their electric compression infrastructure.

Our people are vital to the success of our business. As a result, we have developed a robust safety culture that permeates all aspects of our business. Our comprehensive training program emphasizes safety, improving technical skills and professional development for employees across all functional areas. This program is further bolstered through a virtual training program currently in development to better prepare our employees to safely address situations in the field. Diversity and inclusion are paramount to our organization. We also require 100% compliance across our company in diversity and inclusion training. Diversity is also important at our board level, where we expect 44 % of our directors to identify as gender or ethnically diverse. We recently created the Kodiak Cares Foundation to support employees and charitable causes in the community. We are also committed to supporting veterans and do so through our recruiting and hiring efforts as well as supporting several causes that assist veterans and active-duty military.

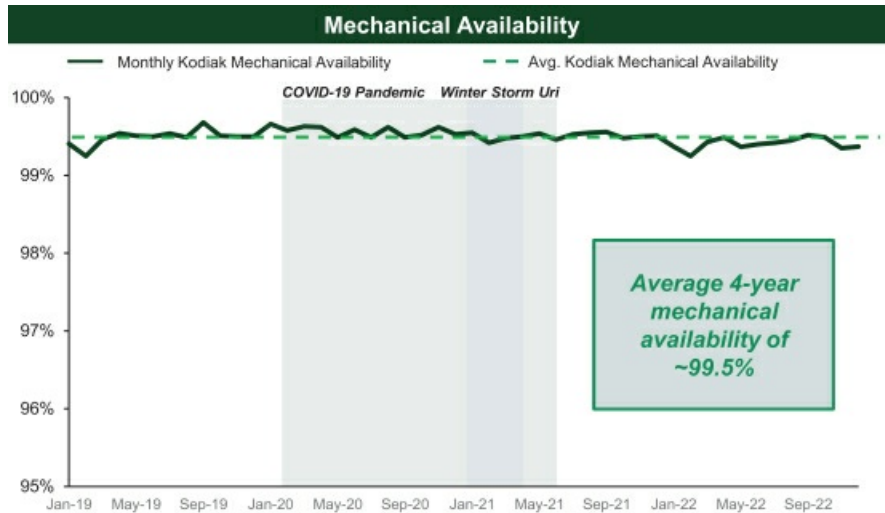
### Competitive Strengths

We believe that the following strengths of our business differentiate us from our competitors, reinforce our leadership position and enable us to capitalize on expected demand growth for natural gas compression infrastructure:

#### *Premier, partnership-focused business model drives long-standing relationships with top-tier customers*

We believe that we have a premier, partnership-focused business model that has created long-term relationships with our customers who depend on our compression operations as a critical element of their core production infrastructure. We treat our customers as partners, helping them optimize their compression infrastructure and bolster their cash flows.

We seek to maximize uptime and revenue for our customers with a historical average mechanical availability of over 99.5%. We maintain 24/7/365 “first-call” service for all instances of downtime across all horsepower classes. We also employ a robust inventory management system to ensure that spare parts required for maintenance and repairs are readily available in close proximity to our fleet. Our operational excellence and partnership-focused business model create substantial value for customers who benefit from increased throughput allowing them to generate additional revenue.



Our customers are leading upstream and midstream companies operating in the top U.S. basins. As a testament to the quality of the relationships with our top four customers, approximately 84% of the large horsepower initially contracted with such customers remains under contract.

#### *Our critical natural gas infrastructure in the most prolific U.S. regions is optimally positioned to support natural gas and oil production to satisfy growing global energy demand*

We focus on strategically deploying our critical compression assets in leading onshore U.S. regions. We have 84% of our horsepower deployed in the Permian Basin and Eagle Ford Shale. We believe these two regions rank among the largest inventory unconventional resources in the U.S. and based on data from the EIA, represented 29% of U.S. Lower 48 natural gas production and 66% of U.S. Lower 48 oil production in 2022. As these resources continue to be developed, increases in well-density driven by multi-well pad drilling, will result in increased demand for large compression equipment, which aligns with our large horsepower strategy.

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Our business supports growing global energy demand by facilitating production of natural gas and oil. The Permian Basin and Eagle Ford Shale are increasingly providing the world with a reliable and secure supply of low-cost natural gas. We believe that projected U.S. Gulf Coast LNG liquefaction capacity additions will require incremental natural gas produced from the Permian Basin and Eagle Ford Shale. Global LNG demand is expected to almost double from 380 million ton per annum (“MTPA”) in 2021 to approximately 700 MTPA by 2040. Increase in demand for U.S. LNG exports to Europe is likely to be driven by the need to backfill the disrupted supply of Russian natural gas.

### ***Purpose built, standardized large horsepower compression fleet that is critical to our customers’ operations***

We began deploying large horsepower compression units for centralized gas lift in the Permian Basin in 2013, which became the industry standard by 2016. We are an industry leader in large horsepower compression units with approximately 81% of our fleet in large horsepower compression units and an average of 1,037 horsepower per revenue-generating compression unit as of December 31, 2022. We believe our concentration of large horsepower compression units positions us to obtain longer contract tenor, extended time on location, greater renewal success and higher margins per compression unit relative to smaller horsepower compression units.

We have built a standardized compression fleet designed to support our customers’ needs, resulting in higher mechanical availability for our customers and lower maintenance costs for us. Our rigorous maintenance program enables our compression units of all ages to operate with similar efficiency and generate similar contract rates. This operational consistency enables us to generate stable revenues through the expected multi-decade operating life of a compression unit.

### ***Stability of our cash flow provides a strong financial profile supporting our return of capital and growth objectives***

We believe that our contract structure provides strong visibility and predictability of cash flows while insulating revenues from industry and broader macroeconomic cycles. Substantially all of our revenue is derived from fixed-revenue contracts that charge a flat monthly rate with annual built-in inflation adjustments, providing us with cash flow stability as well as downside protection. Our 5-year average fleet utilization of over 99% enabled our revenue stability.

Compression costs are a non-discretionary operating expense for our customers. Our business is essential to maintain natural gas and oil production and is insulated from commodity price fluctuations or drilling and completion activities, which enabled us to grow revenue and earnings during the COVID-19 pandemic. The versatility of our units to support a variety of applications further enhances the stability of cash flows. Once our compression units are installed on customers’ locations, prolonged production disruptions and significant mobilization and demobilization costs, typically borne by our customers, would be required to displace our compression units.

Our disciplined approach to deploying capital with a proven track record of achieving high returns has enabled our significant growth. We order compression units when we have a customer commitment in place. Additionally, our business model benefits from growth capital spending flexibility, which allows us to rapidly increase or decrease spending as industry conditions warrant. This flexibility was evident during the COVID-19 pandemic when we reduced equipment orders and utilized a portion of our additional cash flow to repay outstanding debt. This reduction in growth capital spending was approximately \$134 million, representing a 44% reduction to our start of the year budget. Our average utilization for 2020 was 98%.

### ***Differentiated sustainability practices are core to our business model***

We see the opportunity to continue to lead our industry in sustainability practices with a keen focus on doing our part to safeguard the environment, positively impact society, and maintain integrity and high governance standards.

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We have a low emission compression fleet, with 96% capable of operating in the most stringent emissions regulatory environments in the U.S., which require emissions of 0.5g NOx or less, aligning us with our customers' emissions reduction initiatives. Furthermore, we are deploying large horsepower electric motor drive compression, reducing our emissions intensity across our fleet. Our experience of deploying electric units and working with our customers in building the infrastructure required to power electric compression has allowed us to develop expertise in electric compression construction and operations.

Our strong sustainability commitment also focuses on social and governance aspects. Our employees and the communities that we serve are central to what we do. We have implemented a variety of initiatives to support our people and deliver better service to our customers. Diversity and inclusion is paramount to a successful organization. We have a 42% gender or ethnically diverse workforce, and we require 100% compliance across our company in diversity and inclusion training. Diversity is also important at our board level, where we expect 56% of our directors to identify as gender or ethnically diverse. We have implemented robust required safety training programs that have resulted in a leading safety record, developed virtual training programs to better prepare our employees for situations in the field, and offer various mentorship and technical training programs that grow our employees' skillsets.

### ***Founder-led, experienced team with a proven track record of value creation***

We are led by our founder and CEO, Mickey McKee, and an experienced management team with a proven track record of value creation. Management's extensive experience and strong leadership has resulted in a unique culture centered on entrepreneurship, responsibility, and a partnership-focused business model. We were founded and operate on the principle that our people, customers and vendors are the foundation of our success. Since our inception, this approach has contributed to significant growth, and we now have a compression fleet of 3.1 million horsepower.

### **Business Strategies**

Our primary business objective is to maximize stockholder value, which we intend to do by pursuing disciplined growth while returning capital to our stockholders and maintaining strong financial and balance sheet flexibility. We intend to accomplish this objective by executing on the following business strategies:

#### ***Generate a stable cash flow profile by focusing on fixed-revenue contracts in the lowest cost, largest inventory regions***

Our fixed-revenue contract structures with pre-billing of monthly fees further insulate our business from fluctuations in commodity prices and provides strong cash flow visibility. We target multi-year contracts with recurring contract renewals to take full advantage of the long-life inventory of our areas of operations.

Our strategic positioning in the Permian Basin and Eagle Ford Shale enables us to capitalize on the large and low-cost existing production base in two of the most critical U.S. natural gas and oil producing regions. We believe that continuing to deploy our assets in these multi-decade resource life regions will help us to maintain high asset utilization through industry and broader macroeconomic cycles and provide cash flow stability.

#### ***Continue to focus on reliable and low-emission large horsepower compression infrastructure***

Our low-emission large horsepower compression infrastructure assets have an industry-leading historical average mechanical availability of over 99.5%. Our compression operations maximize uptime and consequently our customers' cash flows, while lower emissions assets support our Company's and our customers' sustainability goals.

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The growing share of unconventional production in the U.S. will continue to support the need for compression, which requires more horsepower compared to that of conventional production. Additionally, as customers continue to shift to multi-well pad drilling, they will increasingly require centralized compression models, relying on large horsepower compression units for their natural gas gathering, processing and transportation and gas lift operations. We believe that our industry leading large horsepower fleet, with approximately 81% of our compression units larger than 1,000 horsepower and our focus on reliability and low-emissions will allow us to benefit from growing demand for these types of assets.

### ***Pursue high return growth opportunities alongside our leading customer base***

We have grown our total revenue-generating horsepower since inception in 2011 to approximately 3.1 million horsepower while achieving industry leading fleet utilization and strong margins. We believe organic growth opportunities with existing and new customers in our current areas of operation will be a driver of long-term value creation. Increasing well density and the trend toward unconventional resource development will drive the need for additional large horsepower. In addition to expanding our horsepower base, we can grow our revenue base by pursuing ancillary opportunities tailored to our customers' needs including station construction and third-party services. Additionally, our compression operations contracts include built-in inflation adjustments resulting in continued growth of our revenue base.

We actively seek to partner and grow with customers who have meaningful acreage positions in long-life and low-cost producing regions with significant infrastructure development needs. We collaborate with our customers to jointly develop long-term solutions designed to optimize their lifecycle compression costs, positioning us as their contract compression operator of choice.

### ***Return capital to our stockholders while maintaining a conservative balance sheet with flexibility to pursue growth objectives***

We believe that our resilient business model and the strength and flexibility of our balance sheet will support an attractive through-cycle dividend to our stockholders. We plan to maintain conservative balance sheet leverage. We intend to maintain a prudent financial policy which will enable us to maintain our commitment to capital returns while pursuing capital efficient growth projects.

Our business model focuses on growing our cash flow, which provides us flexibility to further enhance stockholder returns by growing our dividend, implementing share buybacks, or paying down debt.

Our disciplined approach to deploying capital with a proven track record of achieving high returns has enabled our significant growth. We typically only order compression units when we have a customer commitment in place.

### ***Invest in attracting, retaining, and developing world-class talent***

We believe the quality and relentless focus of our workforce is key to our success, and differentiates us from our competitors and positions us as a leader in the compression industry. We seek to attract and retain a diverse workforce with equal opportunities and prospects for advancement, which we believe is fundamental to our success. Furthermore, we have made a significant commitment to training our employees across relevant aspects of the business to ensure that they continue to excel in their roles.

Keeping our workforce, customers, vendors, and communities safe is paramount, and we strive to maintain an industry-leading safety record. Our strong organizational safety culture centers around open communication, regular training, and safety reviews, to ensure that our health and safety program is operating to achieve desired outcomes and remains compliant with all applicable laws, rules, and regulations as well as customer requirements.

## **Compression Industry**

Compression is a mechanical process whereby natural gas is compressed to a smaller volume resulting in higher pressures. This process is critical for the production, gathering, and transportation of natural gas as well as for centralized gas lift for oil production. Without the increased pressure, gas can not flow from the wellhead to end-markets. With the development of unconventional natural gas and oil resources, compression become even more critical for the following reasons:

- In unconventional resources, natural gas is produced at lower pressures due to the geological nature of the resources, requiring compression immediately upon initial production and throughout most of the life of well.
- Advancements in drilling, completion and production technologies resulted in an increase in density of well locations and adoption of multi-well pads, allowing operators to achieve economies of scale with centralization of stations with more compression units and more horsepower per unit.

Given the essential nature of their operations, compression providers benefit from stable cash flows and fixed-revenue contracts. Furthermore, large horsepower compression is costly to install and move and operators have increasingly focused on deploying capital into their core business, favoring outsourcing contract compression. By outsourcing compression, operators can more efficiently address their changing compression needs over time and are able to benefit from the specialized personnel and technical skills that compression providers offer.

We believe compression infrastructure industry growth will be supported by the following factors:

- Continued growing demand for U.S. natural gas driven by domestic natural gas and global LNG consumption. According to the EIA, natural gas accounted for approximately 30% of all energy used in the U.S. in 2022 and according to its most recent Annual Energy Outlook, natural gas consumption will increase from 36.5 trillion cubic feet in 2022 to 42.1 trillion cubic feet in 2050 (15.4% increase). Global LNG demand is expected to almost double from 380 MTPA in 2021 to approximately 700 MTPA by 2040. Increase in demand for U.S. LNG exports to Europe is likely to be driven by the need to backfill the disrupted supply of Russian natural gas
- Replacement of production from maturing and aging conventional basins with production from unconventional sources, which require more compression, to accommodate the increase in natural gas demand while offsetting declining production

## **General Compression Operations Contract Structures**

The following discussion describes the material terms generally common to our compression operations contracts. We maintain a general gas compression agreement with each of our customers and separate addenda for each compression unit.

### ***Term and Termination***

Our contracts typically have a primary term length between one and seven years, depending on the customer, application, location, and size of the compression unit, with large horsepower typically contracted for a primary term of three years. After the expiration of the primary term, our contracts continue on a month-to-month basis until renewed or the contract is terminated by us or our customer, upon written notice. As of December 31, 2022, approximately 7.5% of our compression operations horsepower is on a month-to-month contract term.

### ***Mechanical Availability Guarantee and Operations Standards and Specifications***

All of our contracts provide a guarantee of specified “mechanical availability,” which we define as the percentage of time each month that our compression operations equipment is “mechanically available” to

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compress gas under design and operating conditions set forth in the contract. Our compression operations equipment is typically mechanically available during instances of downtime attributable to events of force majeure or acts or failures to act by the customer (*i.e.*, production related downtime). Our compression operations equipment is typically not mechanically available during all other instances of downtime including, without limitation, our scheduled maintenance.

We provide compression operations under contracts that typically provide that we will supply all compression operations equipment, tools, parts, and field service support to meet our customers' requirements. Our contracts do not specify the compression equipment we will use; instead, the contracts specify required operating conditions and, in consultation with the customer, we determine what equipment is necessary to meet our contractual commitments.

### ***Fees, Taxes and Expenses***

Our customers pay a fixed monthly fee for our compression operations similar to midstream "take-or-pay contracts." The majority of our contracts include an annual inflation adjustment to the monthly fee based on a series of the producer price index directly related to our industry ("PPI"). Generally, we bill for our compression operations on the 15th day of a month for the following month's compression operations (*i.e.*, pre-billed). Payments are generally due within 30 days of the invoice date. If compression operations are provided for a partial month, the monthly fee is pro-rated that month and is invoiced "due on receipt." We are generally responsible for the costs and expenses associated with operation and maintenance of our compression operations equipment, although certain fees and expenses are the responsibility of our customers under the terms of our contracts. For example, all fuel gas necessary to operate our compression operations equipment is provided by our customers without cost to us. All ad valorem or business personal property taxes assessed on our compression operations equipment are reimbursed by our customers as well as any sales tax related to our compression operations. Additionally, our customers are responsible for any damage to our compression operations equipment caused by contaminants or liquid carryover in the compressed gas stream or inferior fuel gas.

We own compression operations equipment in our fleet that we use to provide compression operations, and we typically bear the risk of loss or damage to our equipment and tools and injury or death to our personnel outside the exceptions set forth in the contracts. Additionally, substantially all of our contracts include provisions eliminating our liability for consequential damages (*e.g.*, damage to formations, lost production, damage to production equipment, etc.).

Most of our contracts require our customers to pay for any out-of-pocket expenses associated with the cost of the mobilization and demobilization of our compression operations equipment to and from their locations.

Our contracts typically provide that both we and our customers are required to carry various types of insurance coverage including, but not limited to, general liability, workers' compensation, employers' liability, property, automobile and excess liability insurance.

### **Marketing and Sales**

Our marketing and customer service functions are performed on a coordinated basis by our sales and operations teams. Sales, fleet and operations personnel qualify, analyze and scope new compression applications. Additionally, our salespeople regularly visit our customers to ensure customer satisfaction, to determine a customer's needs related to existing compression operations being provided and to determine the customer's future compression requirements. This ongoing communication allows us to quickly identify and respond to our customers' compression requirements and gives us significant insight into their activities.

### **Suppliers and Service Providers**

We also rely primarily on key vendors to manufacture, package and assemble our compression operations equipment. Although we rely primarily on these suppliers, we believe alternative sources for natural gas compression operations equipment are generally available if needed. We have not experienced any material supply problems to date.

### **Competition**

The compression operations business is competitive. On a regional basis, we experience competition from numerous smaller companies that may be able to adapt to changes more quickly within our industry and changes in economic conditions, more readily take advantage of available opportunities and adopt more aggressive pricing policies. Additionally, the historical availability of attractive financing terms from financial institutions and equipment manufacturers has made the purchase of individual compression operations units affordable to our customers. We believe that we compete effectively based on our partnership-focused business model, flexibility in meeting customer needs, price, equipment availability, quality and reliability of our compression operations.

### **Seasonality**

Our results of operations have not historically been materially affected by seasonality, and we do not currently have reason to believe that seasonal fluctuations will have a material impact in the foreseeable future.

### **Operating Risks and Insurance**

We believe that our insurance coverage is customary for the industry and adequate for our business. As is customary in the compression industry, we review our safety equipment and procedures and carry insurance against most, but not all, risks of our business. Losses and liabilities not covered by insurance would increase our costs. The compression business can be hazardous, involving unforeseen circumstances such as uncontrollable flows of gas or well fluids, fires and explosions or environmental damage. To address the hazards inherent in our business, we maintain insurance coverage that, subject to certain deductibles, includes physical damage coverage, third party general liability insurance, employer's liability, environmental and pollution and other coverage, although coverage for environmental and pollution related losses is subject to certain limitations. Under the terms of our standard compression operations contract, we are responsible for maintaining insurance coverage on our compression equipment. No accidents or incidents have occurred that have had a material adverse effect to us.

### **Governmental Regulation**

We are subject to stringent and complex federal, state and local laws and regulations governing the discharge of materials into the environment or otherwise relating to protection of human health, safety and the environment. These regulations include compliance obligations for air emissions, water quality, wastewater discharges and solid and hazardous waste disposal, as well as regulations designed for the protection of human health and safety and threatened or endangered species. Compliance with these environmental laws and regulations may expose us to significant costs and liabilities and cause us to incur significant capital expenditures in our operations. We are often obligated to assist our customers in obtaining permits or approvals for their operations from various federal, state and local authorities. Permits and approvals can be denied or delayed, which may cause us to lose potential and current customers, interrupt our operations and limit our growth and revenue. Moreover, failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, imposition of remedial obligations and the issuance of injunctions delaying or prohibiting operations. Private parties may also have the right to pursue legal actions to enforce compliance as well as to seek damages for non-compliance with environmental laws and regulations or for personal injury or property damage. While we believe that our operations are in substantial compliance with applicable environmental laws and regulations that continued compliance with



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current requirements would not have a material adverse effect on us, we cannot predict whether our cost of compliance will materially increase in the future. Any changes in, or more stringent enforcement of, existing environmental laws and regulations, or passage of additional environmental laws and regulations that result in more stringent and costly pollution control equipment, waste handling, storage, transport, disposal or remediation requirements could have a material adverse effect on our operations and financial position.

See “Risk Factors—Risks Related to Regulatory Matters—We are subject to stringent environmental, health and safety regulation, and changes in these regulations could increase our costs or liabilities.” The following is a discussion of material environmental and safety laws that relate to our operations.

### ***Air Emissions***

The CAA and comparable state laws regulate emissions of air pollutants from various industrial sources, including natural gas compressors, and impose certain monitoring and reporting requirements. Such emissions are regulated by air emissions permits, which are applied for and obtained through various state or federal regulatory agencies. Our standard natural gas compression operations contract provides that the customer is responsible for obtaining air emissions permits and assuming the environmental risks related to site operations. In some instances, our customers may be required to aggregate emissions from a number of different sources on the theory that the different sources should be considered a single source. Any such determinations could have the effect of making projects more costly than our customers expected and could require the installation of more costly emissions controls, which may lead some of our customers not to pursue certain projects.

There can be no assurance that future requirements compelling the installation of more costly emission control equipment would not have a material adverse impact on our business, financial condition, results of operations and cash available for distribution. See “Risk Factors—Risks Related to Regulatory Matters—New regulations, proposed regulations and proposed modifications to existing regulations under the Clean Air Act, if implemented, could result in increased compliance costs.”

### ***Climate Change***

Climate change and GHG emissions reduction initiatives continue to attract considerable public and scientific attention. Methane, a primary component of natural gas, and carbon dioxide, a byproduct of the burning of natural gas, are examples of GHGs. In recent years, the U.S. Congress has considered legislation to restrict or regulate GHG emissions. The \$1 trillion legislative infrastructure package passed by Congress in November 2021 includes a number of climate-focused spending initiatives targeted at climate resilience, enhanced response and preparation for extreme weather events, and clean energy and transportation investments. The Inflation Reduction Act of 2022 also provides significant funding for research and development of low-carbon energy production methods, carbon capture, and other programs directed at addressing climate change. Furthermore, almost half of the states have begun to address GHG emissions, primarily through the planned development of emissions inventories or regional GHG cap and trade programs. Depending on the particular program, we could be required to control GHG emissions or to purchase and surrender allowances for GHG emissions resulting from our operations.

Independent of Congress, the EPA has promulgated regulations controlling GHG emissions under its existing CAA authority. The EPA has adopted rules requiring many facilities, including petroleum and natural gas systems, to inventory and report their GHG emissions. In 2021, we did not operate any facilities that were subject to these reporting obligations. In addition, the EPA rules provide air permitting requirements for certain large sources of GHG emissions. The requirement for large sources of GHG emissions to obtain and comply with permits will affect some of our and our customers’ largest new or modified facilities going forward, but is not expected to cause us to incur material costs. As noted in the risk factors above (see “Risk Factors—Risks Related to Regulatory Matters—New regulations, proposed regulations and proposed modifications to existing regulations under the Clean Air Act, if implemented, could result in increased compliance costs.”), the EPA has undertaken efforts to regulate emissions

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of methane, considered a GHG, in the natural gas and oil sector, with the development of additional, more stringent rules under way. In 2015, the EPA finalized a performance standard for integrated gasification combined cycled units and utility boilers based on the use of the best system of emissions reduction that the EPA has determined has been adequately demonstrated for each type of unit. The rule also sets limits for stationary natural gas combustion turbines based on the use of natural gas combined cycle technology.

At the international level, the U.S. joined the international community at the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change in Paris, France (“COP21”), which resulted in an agreement intended to nationally determine their contributions and set GHG emission reduction goals every five years beginning in 2020 (the “Paris Agreement”). While the Paris Agreement did not impose direct requirements on emitters, national plans to meet its pledge could have resulted in new regulatory requirements. In April 2021, the current administration announced a new “nationally determined contribution” for U.S. GHG emissions that would achieve emissions reductions of at least 50% relative to 2005 levels by 2030. Those national commitments by themselves create no binding requirements on individual companies or facilities, but they do provide indications of the current administration’s policy direction and the types of legislative and regulatory requirements—such as the EPA’s proposed methane rules—that may be needed to achieve those commitments. Relatedly, the U.S. and European Union jointly announced the launch of the “Global Methane Pledge,” which aims to cut global methane pollution by at least 30% by 2030 relative to 2020 levels, including “all feasible reductions” in the energy sector. With the exception of those proposed EPA methane rules and related updates, which were announced by President Biden at COP26 AND COP27, we cannot predict whether reentry into the Paris Agreement or pledges made in connection therewith will result in any particular new regulatory requirements or whether such requirements will cause us to incur material costs. Most recently, at the 27th Conference of the Parties (“COP27”), President Biden announced the EPA’s proposed standards to reduce methane emissions from existing oil and gas sources, and agreed, in conjunction with the European Union and a number of other partner countries, to develop standards for monitoring and reporting methane emissions to help create a market for low methane-intensity natural gas. Various state and local governments have also publicly committed to furthering the goals of the Paris Agreement.

Additionally, on March 21, 2022, the SEC issued a proposed rule regarding the enhancement and standardization of mandatory climate-related disclosures for investors. The proposed rule would require registrants to include certain climate-related disclosures in their registration statements and periodic reports, including, but not limited to, information about the registrant’s governance of climate-related risks and relevant risk management processes; climate-related risks that are reasonably likely to have a material impact on the registrant’s business, results of operations, or financial condition and their actual and likely climate-related impacts on the registrant’s business strategy, model, and outlook; climate-related targets, goals and transition plan (if any); certain climate-related financial statement metrics in a note to their audited financial statements; Scope 1 and Scope 2 GHG emissions; and Scope 3 GHG emissions and intensity, if material, or if the registrant has set a GHG emissions reduction target, goal or plan that includes Scope 3 GHG emissions. Although the proposed rule’s ultimate date of effectiveness and the final form and substance of these requirements is not yet known and the ultimate scope and impact on our business is uncertain, compliance with the proposed rule, if finalized, may result in increased legal, accounting and financial compliance costs, make some activities more difficult, time-consuming and costly, and place strain on our personnel, systems and resources.

Although it is not currently possible to predict with specificity how any proposed or future GHG legislation, regulation, agreements or initiatives will impact our business, any legislation or regulation of GHG emissions that may be imposed in areas in which we conduct business or on the assets we operate could result in increased compliance or operating costs or additional operating restrictions or reduced demand for our services, and could have a material adverse effect on our business, financial condition and results of operations. See “Risk Factors—Risks Related to Regulatory Matters—Our business is subject to climate-related transitional risks including climate change legislation, regulatory initiatives and stakeholder pressures could result in increased operating expenses and capital costs, financial risks and potential reduction in demand for our services.” Notwithstanding potential risks related to climate change, the International Energy Agency estimates that natural gas and oil will

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continue to represent a significant share of global energy use through 2040 under some, though not all, future scenarios. However, recent activism directed at shifting funding and/or demand away from companies with fossil fuel-related assets could result in limitations or restrictions on certain sources of funding for the energy sector. See “Risk Factors—Risks Related to Regulatory Matters—A climate-related decrease in demand for natural gas and oil could negatively affect our business.”

### **Water Discharge**

The CWA and analogous state laws impose restrictions and strict controls with respect to the discharge of pollutants, including spills and leaks of oil and other substances, into waters of the United States (“WOTUS”). The discharge of pollutants into regulated waters is prohibited, except in accordance with the terms of a permit issued by the EPA or an analogous state agency. The CWA and regulations implemented thereunder also prohibit the discharge of dredge and fill material into regulated waters, including jurisdictional wetlands, unless authorized by an appropriately issued permit. The CWA also requires the development and implementation of spill prevention, control and countermeasures, including the construction and maintenance of containment berms and similar structures, if required, to help prevent the contamination of navigable waters in the event of a petroleum hydrocarbon tank spill, rupture or leak at such facilities. Additionally, the CWA and analogous state laws require individual permits or coverage under general permits for discharges of storm water runoff from certain types of facilities. Federal and state regulatory agencies can impose administrative, civil and criminal penalties as well as other enforcement mechanisms for non-compliance with discharge permits or other requirements of the CWA and analogous state laws and regulations.

The scope of federal jurisdictional reach over WOTUS has been subject to substantial revision in recent years. In 2015, the EPA and the U.S. Army Corps of Engineers (“Corps”) issued a rule defining the scope of the EPA’s and the Corps’ jurisdiction over WOTUS, which never took effect before being replaced by the Navigable Waters Protection Rule (“NWPR”) in 2020. A coalition of states and cities, environmental groups, and agricultural groups challenged the NWPR, which was vacated by a federal district court in August 2021. The EPA and the Corps issued a final rule in January 2023 that redefined the definition of WOTUS, which was disapproved and nullified by the U.S. Senate in March 2023. The definition of WOTUS could also be impacted by the U.S. Supreme Court’s upcoming decision in *Sackett v. EPA*, a case regarding the proper test in determining whether wetlands qualify as WOTUS. In the interim, the EPA is using the pre-2015 definition. In addition to the case before the Supreme Court, multiple states and industry groups have challenged the rule in federal district court. In March 2023, a federal district court judge in the Southern District of Texas issued a ruling pausing implementation of the final rule in Texas and Idaho, while declining to pause the rule nationwide, until the Supreme Court publishes its decision. In addition, in an April 2020 decision defining the scope of the CWA that was handed down just days after the NWPR was published, the U.S. Supreme Court held that, in certain cases, discharges from a point source to groundwater could fall within the scope of the CWA and require a permit. The Court rejected the EPA and Corps’ assertion that groundwater should be totally excluded from the CWA. As a result, future implementation is uncertain at this time. Federal and state regulatory agencies can impose administrative, civil and criminal penalties for non-compliance with discharge permits or other requirements of the CWA and analogous state laws and regulations. Spill prevention, control and countermeasure plan requirements imposed under the CWA require appropriate containment berms and similar structures to help prevent the contamination of navigable waters in the event of a hydrocarbon tank spill, rupture or leak. The CWA and analogous state laws also require individual permits or coverage under general permits for discharges of storm water runoff from certain types of facilities. The Oil Pollution Act of 1990, as amended (the “OPA”), amends the CWA and establishes strict liability and natural resource damages liability for unauthorized discharges of oil into waters of the United States. OPA requires owners or operators of certain onshore facilities to prepare facility response plans for a discharge of oil into waters of the United States.

Our compression operations do not generate process wastewaters that are discharged into waters of the United States. In any event, our customers assume responsibility under the majority of our standard gas compression agreements for obtaining any permits that may be required under the CWA, whether for discharges or developing

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property by filling wetlands. Considerable legal uncertainty exists surrounding the standard for what constitutes jurisdictional waters and wetlands subject to the protections and requirements of the CWA. The definition of “waters of the United States” and, relatedly, the scope of CWA jurisdiction, have been the subject of notable rulemaking efforts and judicial challenges over several decades, the most recent of which, *Sackett v. EPA*, is currently before the U.S. Supreme Court, with a decision expected in 2023.

### ***Safe Drinking Water Act***

A significant portion of our customers’ natural gas production is developed from unconventional sources that require hydraulic fracturing as part of the completion process. Hydraulic fracturing involves the injection of water, sand and chemicals under pressure into the rock formation to stimulate gas production. The U.S. Congress has from time to time considered legislation to amend the SDWA to the exemption for hydraulic fracturing from the definition of “underground injection” and require federal permitting and regulatory control of hydraulic fracturing and disclosure of the chemical constituents of the fluids used in the fracturing process. Scrutiny of hydraulic fracturing activities continues in other ways. In December 2016, the EPA issued a report on the potential impacts of hydraulic fracturing on drinking water resources. The final report concluded that “water cycle” activities associated with hydraulic fracturing may impact drinking water resources “under some circumstances,” noting that the following hydraulic fracturing water cycle activities and local- or regional-scale factors are more likely than others to result in more frequent or more severe impacts: water withdrawals for fracturing in times or areas of low water availability; surface spills during the management of fracturing fluids, chemicals or produced water; injection of fracturing fluids into wells with inadequate mechanical integrity; injection of fracturing fluids directly into groundwater resources; discharge of inadequately treated fracturing wastewater to surface waters; and disposal or storage of fracturing wastewater in unlined pits. To date, EPA has taken no further action in response to the December 2016 report. Under the federal CWA, the EPA also prohibits the discharge of wastewater from hydraulic fracturing and certain other natural gas operations to publicly owned wastewater treatment plants.

State and federal regulatory agencies have also recently focused on a possible connection between the operation of injection wells used for natural gas and oil waste disposal and seismic activity. Increased regulation and attention given to induced seismicity could lead to greater opposition to, and litigation concerning, natural gas and oil activities utilizing hydraulic fracturing or injection wells for waste disposal, which could indirectly impact our business, financial condition and results of operations. See “Risk Factors—Risks Related to Regulatory Matters—Increased regulation of hydraulic fracturing could result in reductions of, or delays in, natural gas production by our customers, which could adversely impact our revenue.”

We cannot predict the future of any such legislation and what additional, if any, provisions would be included. If additional levels of regulation, restrictions and permits were required through the adoption of new laws and regulations at the federal or state level or the development of new interpretations of those requirements by the agencies that issue the required permits could lead to operational delays, increased operating costs and process prohibitions that could reduce demand for our compression operations, which would materially adversely affect our revenue and results of operations.

### ***Solid Waste***

The Resource Conservation and Recovery Act (“RCRA”) and comparable state laws control the management and disposal of hazardous and non-hazardous waste. These laws and regulations govern the generation, storage, treatment, transfer and disposal of wastes that we generate including, but not limited to, used oil, antifreeze, filters, sludges, paint, solvents and sandblast materials. The EPA and various state agencies have limited the approved methods of disposal for these types of wastes. Drilling fluids, produced waters and most of the other wastes associated with the exploration, development and production of natural gas, natural gas liquids and oil, if properly handled, are currently exempt from regulation as hazardous waste under RCRA and, instead, are regulated under RCRA’s less stringent non-hazardous waste provisions, state laws or other federal laws. However, it is possible that

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certain natural gas, natural gas liquids and oil drilling and production wastes now classified as non-hazardous could be classified as hazardous wastes in the future. Any such change could result in an increase in the costs to manage and dispose of wastes, which could increase the costs of our customers' operations.

### ***Site Remediation***

The Comprehensive Environmental Response Compensation and Liability Act ("CERCLA") and comparable state laws impose strict, joint and several liability without regard to fault or the legality of the original conduct on certain classes of persons that are considered to have contributed to the release of a hazardous substance into the environment. These persons include the owner and operator of a disposal site where a hazardous substance release occurred and any company that transported, disposed of or arranged for the transport or disposal of hazardous substances released at the site. Under CERCLA, such persons may be liable for the costs of remediating the hazardous substances that have been released into the environment, for damages to natural resources and for the costs of certain health studies. Additionally, where contamination may be present, it is not uncommon for the neighboring landowners and other third parties to file claims for personal injury, property damage and recovery of response costs. While we generate materials in the course of our operations that may be regulated as hazardous substances, we have not received notification that we may be potentially responsible for cleanup costs under CERCLA at any site.

While we do not currently own or lease any facilities or properties for storage or maintenance of our inactive compression operations equipment, we may use third-party properties for such storage and possible maintenance and repair activities. Additionally, our active compression operations equipment typically is installed on properties owned or leased by third-party customers and operated by us pursuant to terms set forth in the contracts executed by those customers. Under most of our contracts, our customers must contractually indemnify us for certain damages we may suffer as a result of the release into the environment of hazardous and toxic substances. We are not currently responsible for any remedial activities at any properties we use; however, there is always the possibility that our future use of those properties may result in spills or releases of petroleum hydrocarbons, wastes or other regulated substances into the environment that may cause us to become subject to remediation costs and liabilities under CERCLA, RCRA or other environmental laws. We cannot provide any assurance that the costs and liabilities associated with the future imposition of such remedial obligations upon us would not have a material adverse effect on our operations or financial position.

### ***Endangered Species Act and Migratory Birds***

The Endangered Species Act ("ESA") was established to protect endangered and threatened species. Pursuant to the ESA, if a species is listed as threatened or endangered, restrictions may be imposed on activities adversely affecting that species' habitat. The U.S. Fish and Wildlife Service may designate critical habitat and suitable habitat areas it believes are necessary for survival of a threatened or endangered species. While some of our facilities are in areas that may be designated as a habitat for endangered species, we believe that we are in substantial compliance with the ESA. Similar protections are offered to migratory birds under the Migratory Bird Treaty Act, and to bald and golden eagles under the Bald and Golden Eagle Protection Act. The presence of any protected species or the final designation of previously unprotected species as threatened or endangered in areas where we operate could result in increased costs from species protection measures or could result in limitations, delays, or prohibitions on our exploration and production activities that could have an adverse effect on our ability to develop and produce our reserves.

### ***Safety and Health***

The Occupational Safety and Health Act ("OSHA") and comparable state laws and regulations govern the protection of the health and safety of employees. The OSHA hazard communication standard, the EPA community right-to-know regulations under Title III of CERCLA and similar state statutes and regulations require that we organize and, as necessary, disclose information about hazardous materials used or produced in our operations to various federal, state and local agencies, as well as employees. Other OSHA standards regulate specific worker safety aspects of our operations.

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### **Properties**

We do not currently own or lease any material facilities or properties for storage or maintenance of our compression units. As of December 31, 2022, our headquarters consisted of 13,279 square feet of leased space located at 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356, and 13,320 square feet of leased space located at 15258 Highway 105 W, Suite 200, Montgomery, Texas 77356.

### **Legal Proceedings**

From time to time, we and our subsidiaries may be involved in various claims and litigation arising in the ordinary course of business. In management's opinion, the resolution of such matters is not expected to have a material adverse effect on our financial position, results of operations or cash flows.

Beginning in October 2019 through March 2023, we received notices of audits from the State of Texas Comptroller's office for the periods covering December 2015 through October 2022. Based on the timing and nature of a previous settlement, we may receive similar treatment on settlement of our sales tax liability. We are actively in settlement discussions with the Comptroller, and if necessary, we will exhaust our administrative remedies to the maximum extent possible. See "Risk Factors—We have in the past been, and may in the future be, subject to sales tax audits in jurisdictions where we operate. As a result we may incur material unanticipated sales tax liabilities."

### **Human Capital**

#### ***Employees***

As of December 31, 2022, we had 720 full-time employees. None of our employees are subject to collective bargaining agreements.

We consider our employees to be our greatest asset and believe that our success depends on our ability to attract, develop and retain our employees. Diversity and inclusion are foundational to our leadership approach and our focus is on how our actions and the actions of our employees foster diversity and inclusion in our everyday activities at Kodiak. We support diversity in hiring, and 45% of our executive leadership team is gender or ethnically diverse and 42% of our total workforce is gender or ethnically diverse.

We support gender and ethnic pay equity and believe we offer competitive and comprehensive compensation and benefits packages that include annual bonuses, stock awards, a 401(k) plan with employer contribution, healthcare and insurance benefits, health savings and flexible spending accounts with employer contribution, paid time off, family leave, an employee assistance program and tuition assistance, among many other benefits.

#### ***Safety, Health and Wellness***

The success of our business is fundamentally connected to the well-being of our people, and so we are committed to the safety, health and wellness of our employees. Safety is a core value of our company. We actively promote the highest standards of safety, behavior and environmental awareness and strive to meet or exceed all applicable local and national regulations.

#### ***Talent Development***

We invest significant resources to develop the talent needed to provide our industry-leading natural gas compression operations. We work closely with suppliers to develop training programs for our field service technicians. Our field service technicians are supported by a dedicated training team. Additionally, we offer a number of non-technical, targeted skills-based and career-enhancing training programs, including technical orientation for non-technical employees, supervisor coaching, performance management and conflict resolution. Our talent development programs provide employees with the resources they need to help achieve their career goals, build management skills and lead their organizations.

MANAGEMENT

**Directors and Executive Officers**

Set forth below are the names, ages and positions of our directors, director nominees and executive officers as of the date hereof.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Mickey McKee	45	President, Chief Executive Officer and Director Nominee
Chad Lenamon	47	Executive Vice President and Chief Operations Officer
John Griggs	51	Executive Vice President and Chief Financial Officer
Kelly Battle	52	Executive Vice President, Chief Legal Officer, Chief Compliance Officer and Corporate Secretary
Cory Roclawski	43	Executive Vice President and Chief Human Resource Officer
Alex Darden	48	Director
Teresa Mattamouros	43	Director
Randall Hogan	67	Director Nominee
Terry Bonno	65	Director Nominee
Peggy Montana	68	Director Nominee
Jon-Al Duplantier	55	Director Nominee
Chris Drumgoole	47	Director Nominee
Gretchen Holloway	48	Director Nominee

**Robert (“Mickey”) McKee—President, Chief Executive Officer and Director Nominee.** Robert (“Mickey”) McKee formed Kodiak Gas Services, LLC in June 2011, and he has served as its President since 2011 and its Chief Executive Officer since 2019. Mr. McKee brings 19 years of experience to us with extensive background in natural gas compression operations. Prior to co-founding our predecessor in 2010, he was the Senior Vice President of Sales and Engineering for CDM Resource Management, LLC (“CDM”), a provider of contract natural gas compression operations, from 2003 to 2010. He also managed the Engineering and Fleet Management group, worked with vendors and OEM manufacturers, as well as managed the sales and marketing efforts of some of the highest growth areas at CDM, all the while building meaningful relationships with customers. Prior to that, Mr. McKee worked for two years in CDM’s Operations group researching and qualifying projects as well as installing that equipment across Texas and Louisiana. He contributes much of his knowledge of the industry to his time working directly for the original founders of CDM Resource Management. He received a Bachelor’s Degree in Mechanical Engineering from Tulane University.

**William (“Chad”) Lenamon—Executive Vice President and Chief Operations Officer.** William (“Chad”) Lenamon has served as our Executive Vice President and Chief Operations Officer since January 2023 and has served as the Chief Operating Officer of Kodiak Gas Services, LLC since October 2022. Previously, Mr. Lenamon served as Executive Vice President of Special Projects and Supply Chain of Kodiak Gas Services, LLC from October 2019 to October 2022. Prior to joining the Company, Mr. Lenamon spent over 25 years serving in various roles in operations, engineering, fleet management, and supply chain within the natural gas and oil compression industry, including President and Chief Operating Officer of Pegasus Optimization Managers, LLC from July 2017 until its acquisition by the Company in October 2019, and President and Chief Operating Officer of CDM Resource Management, LLC from 2010 to 2015.

**John Griggs—Executive Vice President and Chief Financial Officer.** John Griggs has served as our Executive Vice President and Chief Financial Officer since January 2023. Prior to joining the Company, Mr. Griggs held Chief Financial Officer roles at Circulus Holdings, PBLLC, a leading plastics recycling company, from June 2021 to January 2023; Conquest Completion Services, LLC, a leading operator of high-capacity coiled tubing units for the natural gas and oil industry, from June 2018 to June 2021; and Rubicon Oilfield International, LLC, an oilfield products manufacturing company, from 2015 to June 2018. From 2011 through 2014, Mr. Griggs was a Managing Director at CSL Capital Management, an energy private equity firm. From 2005 through 2011,

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Mr. Griggs was a Senior Vice President for the direct capital arm of the D.E. Shaw Group where he focused on direct debt and equity investments in energy companies. From 2017 to April 2021, Mr. Griggs was a board member and chairman of the audit committee of Nuverra Environmental Solutions, Inc. Mr. Griggs received a Master of Business Administration from the Harvard Business School and a Bachelor of Arts in Liberal Arts from the University of Texas at Austin.

**Kelly Battle—Executive Vice President, Chief Legal Officer, Chief Compliance Officer and Corporate Secretary** Kelly Battle has served as our Executive Vice President, Chief Legal Officer, Chief Compliance Officer and Corporate Secretary since December 2022. Prior to joining the Company, Ms. Battle was the Vice President, General Counsel and Corporate Secretary at Exterran Corporation (and its predecessors and affiliates), a provider of oil and natural gas production, processing, treating, transportation, and produced water treatment solutions, where she worked for over 18 years in various roles. Prior to joining Exterran Corporation, Ms. Battle was an attorney with Vinson & Elkins from 2000 to 2004 and Clements, O’Neill, Pierce, Nickens, Wilson & Fulkerson from 1996 to 2000. She received her Juris Doctor as well as her Bachelor of Arts, Plan II from the University of Texas at Austin.

**Cory Roclawski—Executive Vice President and Chief Human Resource Officer.** Cory Roclawski has served as our Executive Vice President and Chief Human Resource Officer since January 2023 and has served as the Chief Human Resource Officer of Kodiak Gas Services, LLC since February 2020. Prior to joining the Company, Ms. Roclawski was the Vice President of Human Resources at Rubicon Oilfield International, LLC from May 2016 to February 2020, and Senior Human Resource Manager at Exterran Corporation from October 2012 to May 2016. She received a Master of Business Administration from Baldwin Wallace University and a Bachelor of Science in Business Administration in Labor Relations and Human Resource Management from Miami University.

**Alex Darden—Director.** Alex Darden serves as a Director of Covanta Holding Corporation, Cypress Creek Renewables, LLC and is part of the investment council of Inkomoko. He is also President of EQT Partners Inc. and Head of EQT Infrastructure Advisory Team Americas. Prior to joining EQT Partners in 2008, Alex worked at GE Energy Financial Services where he made structured debt and equity investments in energy industry assets and companies. From 1998 to 2002, Alex held various positions within ABB Inc. Alex previously was a member of the board of directors of Restaurant Technologies Inc., Contanda Terminals LLC, Direct ChassisLink Inc., Peregrine Midstream Partners LLC, Synagro Technologies Inc, Fenix Marine Services Ltd., and Dextr.Cloud Inc. Alex received a Bachelor of Science in Business from North Carolina State University.

We believe that Mr. Darden’s extensive leadership experience, skills and background qualify him to serve as a member of our board of directors.

**Teresa Mattamouros—Director.** Teresa Mattamouros is a Managing Director at EQT Partners since May 2022. Prior to joining EQT, Ms. Mattamouros was a Managing Director at SCF Partners, where she was from November 2017 through January 2022, having served as interim CEO of Frontier Tubular Solutions between 2020 and 2021 and as a member of the board of directors of Frontier Tubular Solutions and ProDirectional. Ms. Mattamouros was part of Baker Hughes between 2016 and 2017, serving in key positions in the finance and technology organizations and playing a key role in the integration of GE Oil & Gas and Baker Hughes. Prior to that, Ms. Mattamouros was part of the investment banking divisions of Goldman Sachs and Morgan Stanley, where she advised companies in the energy sector in M&A and capital markets transactions. Ms. Mattamouros received a degree in Architecture from Technical University of Lisbon and a Master of Business Administration from Jones Graduate School of Management at Rice University.

We believe that Ms. Mattamouros’ industry experience and deep knowledge of our business make her well suited to serve as a member of our board of directors.

**Randall Hogan—Director Nominee.** Randall Hogan has served as Chairperson of the board of directors of Kodiak Gas Services, LLC since January 2019, Chairperson of the board of directors of nVent Electric plc since



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May 2018, and a member of the board of directors of Medtronic plc since January 2015. Mr. Hogan has been an Advisor to EQT since 2018. Mr. Hogan retired in May 2018 after serving as Pentair plc's Chief Executive Officer from 2001 to 2018 and as its Chairman of the board from 2002 to 2018. Prior to his role as Chief Executive Officer, Mr. Hogan held various leadership roles at Pentair plc including President and Chief Operating Officer from 1999 to December 2000, and Executive Vice President and President of the Electrical and Electronic Enclosures Group from 1998 to 1999. Prior to joining Pentair plc in 1998, Mr. Hogan served as President of United Technologies' Carrier Transicold Division; Vice President and General Manager at the Pratt & Whitney Industrial Turbines; executive positions at General Electric; and Consultant at McKinsey & Company. From 2010 to 2015, Mr. Hogan was Chairperson of the Board of the Federal Reserve Bank of Minneapolis. Mr. Hogan received a Bachelor of Science in Civil and Environmental Engineering from the Massachusetts Institute of Technology and a Master of Business Administration from the University of Texas at Austin.

We believe that Mr. Hogan's organizational leadership and board experience make him well suited to serve as a member of our board of directors.

**Terry Bonno—Director Nominee.** Terry Bonno has been a member of the board of directors of Kodiak Gas Services, LLC since February 2019. Additionally, she serves on the NOW Inc. (DNOV) board of directors and the audit committee since May 2014, and the environmental, social, governance and nominating committee since May 2022. From 2017 to the divestiture to 3i Group plc in 2019, Ms. Bonno served as a board director of Tampnet Inc., an operator of offshore high-capacity communication networks. Ms. Bonno also served as a board director for several energy industry and charity boards. She has continued her charity board service since 2014 to Spindletop Community Impact Partners. In 2017, Ms. Bonno was chosen as an industry expert to serve in an advisory capacity to the National Offshore Safety Advisory Committee for a three-year term ending in 2020. Ms. Bonno also served as Senior Vice President of Industry and Community Relations for Transocean Ltd. from 2017 until her retirement in October 2018. Before that, Ms. Bonno served as Senior Vice President of Marketing for Transocean Ltd. from 2011 to 2017 and as Vice President of Marketing from 2008 to 2011, with oversight of Transocean's marketing in fourteen countries. Previously, Ms. Bonno served in various director and management roles at Transocean Ltd., leading the Marketing and Contracts efforts for West Africa and the Americas from 2001 until 2008. Ms. Bonno previously served in various director and management positions of increasing responsibility in accounting, corporate planning and marketing. Ms. Bonno received a Bachelor of Business Administration in Accounting from Stephen F. Austin State University, and she is a Certified Public Accountant.

We believe that Ms. Bonno's public and private company board experience, extensive industry experience and expertise in business development make her a valuable addition to our board of directors.

**Margaret ("Peggy") Montana—Director Nominee.** Margaret ("Peggy") Montana has been a member of the board of directors of Kodiak Gas Services, LLC since February 2019 and of Gibson Energy since September 2020. Ms. Montana retired as Chief Executive Officer and President of Shell Midstream Partners G.P., LLC in June 2015, and served on its board of directors from June 2014 to March 2020. Ms. Montana served in many roles with Shell USA, Inc. from August 2004 to June 2015, including Executive Vice President, U.S. Pipelines and Special Projects and Executive Vice President, Supply and Distribution. Ms. Montana has served as Chair of the American Petroleum Institute Downstream Committee and led a study on Emergency Preparedness for the National Petroleum Council. Ms. Montana has also served on the board of the Houston YMCA since 2009 and the Board of Trustees for Missouri University of Science & Technology since April 2018. Previously, Ms. Montana also served on the boards of Contanda LLC from June 2017 to December 2019 and KMG Chemicals, Inc. from December 2017 to November 2018. Ms. Montana received a Bachelor's Degree in Chemical Engineering from the University of Missouri-Rolla.

We believe that Ms. Montana's energy industry and senior executive experience make her a valuable addition to our board of directors.

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***Jon-Al Duplantier—Director Nominee.*** Jon-Al Duplantier is expected to become a director of the Company upon consummation of the initial public offering. Mr. Duplantier has been a member of the board of directors of Sitio Royalties Corp. since December 2022, of Stellar Bancorp, Inc. since October 2022, and of AltaGas Ltd. since February 2021. Mr. Duplantier previously served as a member of the board of directors of Brigham Minerals, Inc. from February 2021 to December 2022 and of Allegiance Bancshares, Inc. from January 2021 to September 2022. Mr. Duplantier retired as President, Rental Tools and Well Services of Parker Drilling Company in July 2020 after serving in such capacity since April 2018. Prior to holding such position, Mr. Duplantier served as Senior Vice President, Chief Administrative Officer and General Counsel from April 2014 to March 2018, among other roles from September 2009 to April 2014. Parker Drilling Company filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code in December 2018. Prior to joining Parker Drilling Company, Mr. Duplantier served in many senior legal, commercial and environmental roles at ConocoPhillips from August 2002 to September 2009, including Senior Counsel, Exploration and Production, Managing Counsel, Indonesia, and Managing Counsel, Environmental, among other positions. Mr. Duplantier began his career as a patent attorney in the E.I. Du Pont de Nemours and Company legal department. Mr. Duplantier received a Juris Doctor from Louisiana State University and a Bachelor of Science in Chemistry from Grambling State University.

We believe that Mr. Duplantier’s broad experience across commercial, governance and legal aspects of business, along with his professional and leadership experience make him a valuable addition to our board of directors.

***Christopher (“Chris”) Drumgoole—Director Nominee.*** Christopher (“Chris”) Drumgoole is expected to become a director of the Company upon consummation of the initial public offering. Mr. Drumgoole has been a member of the board of directors of PetSmart, Inc. since November 2019, of ONUG, a forum for IT business leaders interested in open technologies, since January 2016, of the Advisory Board of Florida International University’s College of Engineering & Computing since January 2011 and has been a board observer of Infinia ML since April 2020. Mr. Drumgoole has served as Executive Vice President and Chief Operating Officer of DXC Technology Company since August 2021, and he previously served as Executive Vice President and Chief Information Officer from April 2020 to August 2021. Before joining DXC Technology Company, Mr. Drumgoole served as Chief Information Officer at General Electric Co. from May 2018 to April 2020, and as Chief Technology Officer from April 2014 to April 2018. Prior to that, Mr. Drumgoole was the Chief Operating Officer of the Terremark subsidiary of Verizon Enterprise Solutions from January 2012 to April 2014. Mr. Drumgoole previously held other senior positions with Terremark Worldwide, Inc. from October 2008 to January 2012. Mr. Drumgoole received a Bachelor of Business Administration in Management Information Systems from Pace University.

We believe that Mr. Drumgoole’s executive leadership experience and technology strategy and management experience in complex technology environments make him a valuable addition to our board of directors.

***Gretchen Holloway—Director Nominee.*** Gretchen Holloway is expected to become a director of the Company upon consummation of the initial public offering. Ms. Holloway has been a member of the board of directors of the Women Thrive Advisory Board since September 2022, of Caribbean Utilities Company, Ltd. since May 2021, and of Inforum, a professional organization designed to accelerate careers for women and boost talent initiatives for companies in Michigan, since May 2019. Ms. Holloway has also been a member of the finance committee of the Children’s Hospital of Michigan Foundation since July 2015. Ms. Holloway has served as Senior Vice President and Chief Financial Officer of ITC Holdings Corp. since July 2017, and she previously served as Vice President, Interim Chief Financial Officer and Treasurer from October 2016 to July 2017, Vice President and Treasurer from November 2015 to October 2016, Vice President, Finance from May 2014 to November 2015, and various senior and director-level roles from January 2004 to May 2014. In her current role, Ms. Holloway is responsible for the Company’s accounting, internal audit, treasury, financial planning and analysis, management reporting, risk management and tax functions. Prior to joining ITC Holdings Corp., Ms. Holloway held various financial roles at CMS Energy Corp. from November 1999 to January 2004. Ms. Holloway began her career in public accounting at Arthur Andersen. Ms. Holloway received a Bachelor of Business Administration in Finance from Western Michigan University.

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We believe that Ms. Holloway’s technical financial skills, business acumen and leadership experience make her a valuable addition to our board of directors.

### **Board of Directors**

The number of members of our board of directors will be determined from time to time by resolution of the board of directors. We expect our board of directors will consist of nine persons upon the consummation of this offering.

Additionally, upon the consummation of this offering, our board of directors will be divided into three classes of directors, with each class as equal in number as possible, serving staggered three-year terms. Class I, Class II and Class III directors will serve until our annual meetings of stockholders in 2024, 2025 and 2026, respectively. Mickey McKee, Jon-Al Duplantier and Gretchen Holloway will be assigned to Class I; Alex Darden, Randall Hogan and Peggy Montana will be assigned to Class II; and Teresa Mattamouros, Chris Drumgoole and Terry Bonno will be assigned to Class III. At each annual meeting of stockholders held after the initial classification, directors will be elected to succeed the class of directors whose terms have expired. This classification of our board of directors could have the effect of increasing the length of time necessary to change the composition of a majority of the board of directors. In general, at least two annual meetings of stockholders will be necessary for stockholders to effect a change in a majority of the members of the board of directors. Our directors are removable only for “cause.”

In evaluating director candidates, we will assess whether a candidate possesses the integrity, judgment, knowledge, experience, skills and expertise that are likely to enhance the board of directors’ ability to manage and direct our affairs and business, including, when applicable, to enhance the ability of the committees of the board of directors to fulfill their duties.

Our board of directors has determined that Alex Darden, Teresa Mattamouros, Randall Hogan, Terry Bonno, Peggy Montana, Jon-Al Duplantier, Chris Drumgoole and Gretchen Holloway are independent under NYSE listing standards. After the completion of this offering, Randall Hogan will serve as chairman of our board of directors.

### ***Controlled Company Status***

For purposes of the corporate governance rules of the NYSE, we expect to be a “controlled company” upon completion of this offering. Controlled companies under those rules are companies of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company. Kodiak Holdings will directly own (and EQT will indirectly own) more than 50% of our voting power upon completion of this offering. Accordingly, we expect to be eligible for, but do not currently intend to rely on, certain exemptions from the corporate governance requirements of the NYSE. Specifically, as a “controlled company,” we would not be required to have (1) a majority of independent directors, (2) a nominating and corporate governance committee composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities, (3) a compensation committee composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities or (4) an annual performance evaluation of the nominating and governance and compensation committees. In the event we elect to rely on some or all of these exemptions in the future, you would not have the same protections afforded to stockholders of companies that are subject to all of the applicable corporate governance rules of the NYSE.

### **Committees of the Board of Directors**

Our board of directors intends to establish an audit & risk committee, a nominating, governance and sustainability committee and a personnel & compensation committee prior to the completion of this offering, and we may have such other committees as the board of directors shall determine from time to time. We anticipate that each of the standing committees of the board of directors will have the composition and responsibilities described below.

***Audit & Risk Committee***

We will establish an audit & risk committee prior to the completion of this offering. We anticipate that following the completion of this offering, our audit & risk committee will consist of Gretchen Holloway, Peggy Montana and Chris Drumgoole, each of whom will be independent under SEC rules and NYSE listing standards. Gretchen Holloway will serve as chair of the audit & risk committee. As required by the SEC rules and NYSE listing standards, the audit & risk committee will consist solely of independent directors. SEC rules also require that a public company disclose whether its audit committee has an “audit committee financial expert” as a member. An “audit committee financial expert” is defined as a person who, based on his or her experience, possesses the attributes outlined in such rules. We anticipate that Gretchen Holloway will satisfy the definition of “audit committee financial expert.”

This committee will oversee, review, act on and report on various auditing and accounting matters to our board of directors, including the selection of our independent accountants, the scope of our annual audits, fees to be paid to the independent accountants, the performance of our independent accountants and our accounting practices. In addition, the audit & risk committee will oversee our compliance programs relating to legal and regulatory requirements. We expect to adopt an audit & risk committee charter defining the committee’s primary duties in a manner consistent with the rules of the SEC and the listing standards of the NYSE.

***Nominating, Governance and Sustainability Committee***

We will establish a nominating, governance and sustainability committee prior to the completion of this offering. We anticipate that the nominating, governance and sustainability committee will consist of Jon-Al Duplantier, Alex Darden and Terry Bonno, each of whom will be independent under NYSE listing standards. Jon-Al Duplantier will serve as chair of the nominating, governance and sustainability committee. This committee will identify, evaluate and recommend qualified nominees to serve on our board of directors; develop and oversee our internal corporate governance processes; and maintain a management succession plan. We expect to adopt a nominating, governance and sustainability committee charter defining the committee’s primary duties in a manner consistent with the rules of the SEC and the listing standards of the NYSE.

***Personnel & Compensation Committee***

We will establish a personnel & compensation committee prior to the completion of this offering. We anticipate that the personnel & compensation committee will consist of Terry Bonno, Teresa Mattamouros and Randall Hogan, each of whom will be independent under NYSE listing standards. Terry Bonno will serve as chair of the personnel & compensation committee. This committee will establish salaries, incentives and other forms of compensation for officers and other employees and will administer our incentive compensation and benefit plans. We expect to adopt a personnel & compensation committee charter defining the committee’s primary duties in a manner consistent with the rules of the SEC and the listing standards of the NYSE.

**Compensation Committee Interlocks and Insider Participation**

None of our executive officers serve on the board of directors or compensation committee of a company that has an executive officer that serves on our board or personnel & compensation committee. No member of our board is an executive officer of a company in which one of our executive officers serves as a member of the board of directors or compensation committee of that company.

**Executive Sessions of Our Board of Directors**

Our independent directors are provided the opportunity to meet in executive sessions at each regularly scheduled meeting of our board.

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### **Risk Oversight**

The board is actively involved in oversight of risks that could affect us. This oversight function is conducted primarily through committees of our board, but the full board retains responsibility for general oversight of risks. The audit committee is charged with oversight of our system of internal controls and risks relating to financial reporting, legal, regulatory and accounting compliance. Our board will continue to satisfy its oversight responsibility through full reports from the audit committee chair regarding the committee's considerations and actions, as well as through regular reports directly from officers responsible for oversight of particular risks within our Company.

### **Code of Business Conduct and Ethics**

Prior to the completion of this offering, our board of directors will adopt a code of business conduct and ethics applicable to our employees, directors and officers, in accordance with applicable U.S. federal securities laws and the corporate governance rules of the NYSE. Any waiver of this code may be made only by our board of directors and will be promptly disclosed as required by applicable U.S. federal securities laws and the corporate governance rules of the NYSE.

### **Corporate Governance Guidelines**

Prior to the completion of this offering, our board of directors will adopt corporate governance guidelines in accordance with the corporate governance rules of the NYSE.

**EXECUTIVE COMPENSATION**

**Executive Compensation**

We are currently considered an “emerging growth company” within the meaning of the Securities Act for purposes of the SEC’s executive compensation disclosure rules. Accordingly, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year End Table, as well as limited narrative disclosures regarding executive compensation for our last completed fiscal year. Further, our reporting obligations extend only to the following “Named Executive Officers,” which are the individuals who served as our principal executive officer during the fiscal year ended December 31, 2022 (the “2022 Fiscal Year”) and our next two most highly compensated executive officers at the end of the 2022 Fiscal Year.

<u>Name</u>	<u>Principal Position</u>
Mickey McKee	President and Chief Executive Officer
Ewan Hamilton	Executive Vice President and Chief Financial Officer*
Chad Lenamon	Executive Vice President and Chief Operations Officer

\* As of January 2023, Mr. Hamilton serves as our Executive Vice President and Chief Accounting Officer and no longer serves as Chief Financial Officer.

**2022 Summary Compensation Table**

The following table summarizes the compensation awarded to, earned by or paid to our Named Executive Officers for the 2022 Fiscal Year.

<u>Name and Principal Position</u>	<u>Year</u>	<u>Salary (\$)<sup>(1)</sup></u>	<u>Bonus (\$)<sup>(2)</sup></u>	<u>Option Awards (\$)<sup>(3)</sup></u>	<u>Nonequity Incentive Plan Compensation (\$)<sup>(4)</sup></u>	<u>All Other Compensation (\$)<sup>(5)</sup></u>	<u>Total (\$)</u>
Mickey McKee <i>President and Chief Executive Officer</i>	2022	650,635	150,000	111,250	646,505	36,753	1,595,143
Ewan Hamilton(6) <i>Executive Vice President and Chief Financial Officer</i>	2022	390,462	150,000	111,250	275,176	38,096	964,984
Chad Lenamon <i>Executive Vice President and Chief Operations Officer</i>	2022	341,662	150,000	111,250	248,013	39,900	890,825

- (1) Amounts in this column reflect the base salary earned by each Named Executive Officer in the 2022 Fiscal Year.
- (2) Amounts in this column reflect discretionary one-time bonuses earned by each Named Executive Officer in the 2022 Fiscal Year.
- (3) Amounts reported in the “Option Awards” column reflect the aggregate grant date fair value, computed in accordance with FASB ASC Topic 718, of Class B Units of Kodiak Holdings granted to each Named Executive Officer during the 2022 Fiscal Year. The Class B Units represent membership interests in Kodiak Holdings that are intended to constitute profits interests for federal income tax purposes. Despite the fact that the Class B Units do not require the payment of an exercise price, they are most similar economically to stock options. Accordingly, they are classified as “options” under the definition provided in Item 402(a)(6)(i) of Regulation S-K as an instrument with an “option-like feature.” See Note 9 (“Stockholders’ Equity—Class B and C Profits Interests”) to our Consolidated Financial Statements for details.

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- (4) The Company maintains long-term and short-term cash-based incentive compensation plans with one-year and quarterly performance periods, respectively. As of the date of this filing, performance against the applicable performance targets has not been determined for the short-term cash-based incentive compensation plan and, as such, the amounts in this column are estimates. The amounts set forth in this filing for each Named Executive Officer are broken down as follows: (i) for Mr. McKee, \$646,505 (all under the Company's short-term incentive plan); (ii) for Mr. Hamilton, \$275,176 (\$30,000 of which was earned under the Company's long-term incentive plan and \$245,176 of which was earned under the Company's short-term incentive plan); and (iii) for Mr. Lenamon, \$248,013 (\$30,000 of which was earned under the Company's long-term incentive plan and \$218,013 of which was earned under the Company's short-term incentive plan). Please see the "Narrative Disclosure to Summary Compensation Table" below for more details regarding the Company's long-term and short-term cash-based incentive compensation plans.
- (5) Amounts in this column reflect truck allowances, 401(k) plan matching contributions and premiums paid by the Company for additional disability insurance purchased for each Named Executive Officer. The amounts set forth in this filing for each Named Executive Officer is broken down as follows: (i) for Mr. McKee, \$36,753 (\$17,400 of which was for truck allowances, \$15,610 of which was for 401(k) plan matching contributions and \$3,743 of which was Company-paid premiums for additional disability insurance); (ii) for Mr. Hamilton, \$38,096 (\$17,400 of which was for truck allowances, \$18,301 of which was for 401(k) plan matching contributions and \$2,395 of which was Company-paid premiums for additional disability insurance); and (iii) for Mr. Lenamon, \$39,900 (\$17,400 of which was for truck allowances, \$18,300 of which was for 401(k) plan matching contributions and \$4,200 of which was Company-paid premiums for additional disability insurance).
- (6) As of January 2023, Mr. Hamilton serves as our Executive Vice President and Chief Accounting Officer and no longer serves as Chief Financial Officer.

### ***Narrative Disclosure to Summary Compensation Table***

#### *Employment Agreements*

Kodiak Holdings has entered into employment agreements with each of the Named Executive Officers that memorialize each Named Executive Officer's employment with the Company and provide for base salaries, bonus opportunities, equity incentive opportunities, paid vacation, reimbursement of reasonable business expenses and eligibility to participate in Company benefit plans generally.

Messrs. McKee's, Hamilton's and Lenamon's actual base salaries earned in 2022 were \$650,635, \$390,462 and \$341,662, respectively, which salaries were adjusted to \$660,000, \$396,000 and \$345,000, respectively, during the 2022 calendar year. Messrs. McKee, Hamilton and Lenamon are also eligible to earn discretionary target bonuses under their employment agreements, and the current discretionary bonus opportunities available are described in the "Long-Term and Short-Term Incentive Compensation" disclosure below. As indicated in note (3) of the "2022 Summary Compensation Table" above, each employment agreement also provides for equity incentive participation through Class B Units in Kodiak Holdings.

Each employment agreement provides for certain severance benefits upon a resignation by the Named Executive Officer for "Good Reason" or upon a termination of the Named Executive Officer's employment by Kodiak Holdings without "Cause." Please see the section entitled "Additional Narrative Disclosure—Potential Payments Upon Termination or Change in Control" below for more details regarding the severance benefits each Named Executive Officer is eligible to receive.

#### *Long-Term and Short-Term Incentive Compensation*

In 2022, our Named Executive Officers were eligible for discretionary bonuses under our long-term and short-term cash-based incentive compensation plans, which bonuses were paid in lieu of their entitlements under their

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employment agreements. Under our long-term incentive cash-based incentive compensation plan (the “LTIP”), participants earn annual cash awards that are payable based on the achievement of individual performance metrics over a one-year period. Under our short-term cash-based incentive compensation plan (the “STIP”), participants earn quarterly and annual cash awards that are payable based on the achievement of personal, financial and safety target metrics (calculated on a quarterly basis as the product of (i) individual earnings, multiplied by (ii) the individual target, multiplied by (iii) a set payout factor), with up to 20% of the amounts held back and payable on an annual basis. Under our LTIP and STIP, our Named Executive Officers participated as follows: (a) Mr. McKee did not participate in the LTIP during the 2022 calendar year, but did earn discretionary bonuses under the STIP with a 100% target based on the achievement of financial and safety metrics; and (b) Messrs. Hamilton and Lenamon participated in the LTIP and earned discretionary bonuses under the STIP, each with a STIP target of 65% and based on the achievement of personal, financial and safety metrics. The STIP target for Messrs. Hamilton and Lenamon was set at 55% for the first quarter of 2022 and increased to 65% in the second quarter of 2022.

### Long-Term Equity Incentive Compensation

We have historically offered long-term equity incentives to our Named Executive Officers through grants of Class B Units in Kodiak Holdings. These Class B Unit awards are subject to time- and performance-based vesting requirements, and certain of the Class B Units are entitled to priority catch-up distributions. The Class B Units that are subject to time-vesting are subject to accelerated vesting upon certain change in control events and are subject to potential continued vesting upon the occurrence of certain terminations of employment. We do not anticipate that the consummation of this offering or any of the related transactions will result in accelerated vesting of any of the Class B Units in Kodiak Holdings held by the Named Executive Officers. See below under “Potential Payments Upon Termination or Change in Control” for additional information regarding the circumstances that could result in accelerated vesting of these awards.

### Outstanding Equity Awards at 2022 Fiscal Year-End

The following table reflects information regarding outstanding equity-based awards held by our Named Executive Officers as of December 31, 2022.

Name	Grant Date	Option Awards (1)			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Mickey McKee	February 15, 2021	4,704.6 (2)	18,818.3 (3)	N/A	N/A
	August 15, 2022	50(4)	200(5)	N/A	N/A
Ewan Hamilton	February 15, 2021	611(6)	2,443.9 (7)	N/A	N/A
	August 15, 2022	50(8)	200(9)	N/A	N/A
Chad Lenamon	February 15, 2021	91.6 (10)	519.3 (11)	N/A	N/A
	August 15, 2022	37.5 (12)	212.5 (13)	N/A	N/A

- (1) All awards in this table (rounded to the nearest tenth) consist of Class B Units representing membership interests in Kodiak Holdings that are intended to constitute profits interests for federal income tax purposes. Despite the fact that the Class B Units do not require the payment of an exercise price, they are most similar economically to stock options. 25% of each Class B Unit award is subject to time-vesting and the remaining 75% is subject to performance-vesting. The time-vesting Class B Units vest over a five-year period, with 20% of the time-vesting Class B Units vesting on the first anniversary of the specified vesting commencement date and the remaining 80% vesting in equal installments on each anniversary thereafter, with such time-vesting Class B Units accelerating and becoming fully vested on the occurrence of a change of control, subject (in each case) to the Class B Unit holder’s continuous service with us through the applicable vesting date. The performance-vesting Class B Units vest based on the achievement of certain



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investor return metrics, subject to the Class B Unit holder's continuous service with us through the applicable vesting date. See the "Potential Payments Upon Termination or Change in Control" section below for a summary of the treatment of the time-vesting Class B Units on certain sale events.

- (2) 2,352.2 of these Class B Units were vested as of the February 15, 2021 grant date, 1,176.1 of these Class B Units vested on February 8, 2022 and 1,176.1 of these Class B Units vested on February 8, 2023.
- (3) 1,176.1 of these Class B Units will vest on February 8, 2024. Additionally, 17,642.2 of these Class B Units remain eligible to performance-vest.
- (4) 37.5 of these Class B Units were vested on the February 15, 2021 grant date, and 12.5 of these Class B Units vested on February 8, 2023.
- (5) 12.5 of these Class B Units will vest on February 8, 2024. Additionally, 187.5 of these Class B Units remain eligible to performance-vest.
- (6) 305.4 of these Class B Units were vested on the February 15, 2021 grant date, 152.7 of these Class B Units vested on February 8, 2022 and 152.7 of these Class B Units vested on February 8, 2023.
- (7) 152.7 of these Class B Units will vest February 8, 2024. Additionally, 2,291.2 of these Class B Units remain eligible to performance-vest.
- (8) 37.5 of these Class B Units were vested on the August 8, 2022, and 12.5 of these Class B Units vested on February 8, 2023.
- (9) 12.5 of these Class B Units will vest on February 8, 2024. Additionally, 187.5 of these Class B Units remain eligible to performance-vest.
- (10) 30.5 of these Class B Units were vested on the February 15, 2021 grant date, 30.5 of these Class B Units vested on October 24, 2021 and 30.5 of these Class B Units vested on October 24, 2022.
- (11) 30.5 of these Class B Units will vest on each of October 24, 2023 and October 24, 2024, respectively. Additionally, 458.2 of these Class B Units remain eligible to performance-vest.
- (12) 25 of these Class B Units were vested on the August 8, 2022 grant date, and 12.5 of these Class B Units vested on October 24, 2022.
- (13) 12.5 of these Class B Units will vest on each of October 24, 2023 and October 24, 2024, respectively. Additionally, 187.5 of these Class B Units remain eligible to performance-vest.

### ***Additional Narrative Disclosure***

#### *Truck Allowances*

We maintain a program whereby all employees of the Company are eligible for a monthly truck allowance, including for fuel.

#### *Retirement Benefits*

We do not have a defined benefit pension plan or nonqualified deferred compensation plan. We currently maintain a retirement plan intended to provide benefits under Section 401(k) of the Code, pursuant to which employees, including the Named Executive Officers, can make voluntary pre-tax contributions. We match 100% of elective deferrals up to 6% of elective deferrals for all participants. These matching contributions are immediately vested. All contributions under the plan are subject to certain annual dollar limitations, which are periodically adjusted for changes in the cost of living.

#### *Disability Insurance*

We also maintain an additional disability insurance plan for certain key leadership employees whereby the Company pays 100% of the premiums.

#### *Potential Payments Upon Termination or Change in Control*

A Named Executive Officer's outstanding time-vesting Class B Units in Kodiak Holdings will become 100% vested upon a "Change of Control" of Kodiak Holdings, which is generally the sale of (i) Kodiak Holdings'

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equity securities pursuant to which an independent third party or parties acquires a majority of the equity securities by vote or value or (ii) all or substantially all of Kodiak Holding's assets on a consolidated basis, and does not include an initial public offering. We do not anticipate that the consummation of this offering or any of the related transactions will constitute a "sale" of Kodiak Holdings for this purpose. Additionally, if a Class B Unit holder's employment is terminated by Kodiak Holdings or one of its subsidiaries without "Cause," due to the Class B Unit holder's death or disability or due to the Class B Unit holder's resignation for "Good Reason," then, in each case: (a) the time-vesting Class B Units that were scheduled to vest on the next time-vesting date will immediately become vested; (b) the time-vesting Class B Units that remain unvested will remain eligible to fully vest on a change of control that occurs within the nine-month period following such termination (provided that, if a definitive agreement that, if consummated, would result in a change of control is entered into before such nine-month tail period is concluded, then the unvested time-vesting Class B Units will remain eligible to vest on the consummation of such transaction, even if such transaction occurs beyond the nine-month tail period); (c) if such termination occurs within the one-year period following a corporate transaction (which includes (I) any merger, reverse merger or similar corporate transaction that does not constitute a Change of Control, or (II) an initial public offering), then all unvested time-vesting Class B Units will immediately become vested; and (d) the performance-vesting Class B Units will remain eligible to vest for nine months following such termination.

Our Named Executive Officers' employment agreements provide that upon a termination of their employment by Kodiak Holdings or one of its subsidiaries for any reason other than for "Cause" or upon a resignation by such Named Executive Officer for "Good Reason," each as defined therein, subject to the Named Executive Officers' execution and delivery of a fully effective release of claims in favor of the Company and continued compliance with applicable restrictive covenants, they will receive: (i) any unpaid bonus in respect of any fiscal year or quarter (as applicable) that has ended prior to the date of such termination; (ii) subject to satisfaction of the applicable performance objectives applicable for the fiscal year and/or quarter (as applicable) in which such termination occurs, a pro-rated amount of the annual and/or quarterly bonus (as applicable) otherwise payable for the fiscal year or quarter (as applicable) in which such termination occurs; and (iii) salary continuation payments and COBRA premium reimbursement for 18 months (in the case of Messrs. McKee and Lenamon) or 12 months (in the case of Mr. Hamilton). If a Named Executive Officer is terminated due to such Named Executive Officer's death or disability, then such Named Executive Officer (or his estate, if applicable), will receive: (a) any unpaid bonus in respect of any fiscal year or quarter (as applicable) that has ended prior to the date of such termination; and (b) subject to satisfaction of the applicable performance objectives applicable for the fiscal year and/or quarter (as applicable) in which such termination occurs, a pro-rated amount of the annual and/or quarterly bonus (as applicable) otherwise payable for the fiscal year or quarter (as applicable) in which such termination occurs. The employment agreements also contain certain restrictive covenants that restrict (with certain limitations) our Named Executive Officers from (I) competing with Kodiak Holdings and its subsidiaries during the term of the Named Executive Officer's employment with the Company and for the 18-month period (in the case of Messrs. McKee and Lenamon) or 12-month period (in the case of Mr. Hamilton) following termination of employment, and (II) soliciting any customers or other business relations or soliciting or hiring employees of Kodiak Holdings and its subsidiaries, in each case, during the term of the Named Executive Officer's employment with the Company and for the 18-month period (in the case of Messrs. McKee and Lenamon) or 12-month period (in the case of Mr. Hamilton) following termination of employment.

The employment agreements for Messrs. McKee and Hamilton generally define: (i) "Cause" as (a) willful neglect in the performance of the employee's duties for the Company or willful or repeated failure or refusal to perform such duties, (b) engagement in conduct in connection with the employee's employment or services with the Company, which results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or any other member of Kodiak Holdings' company group, (c) conviction of, or plea of guilty or no contest to, (I) any felony or (II) any other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or any other member of Kodiak Holdings' company group, (d) material violation of the written policies of the Company, including but not limited to those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company, (e) fraud or misappropriation, embezzlement, or misuse of

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funds or property belonging to the Company or any other member of Kodiak Holdings' company group, (f) act of personal dishonesty that involves personal profit in connection with the employee's employment, or (g) breach of the restrictive covenant provisions of the employment agreement or any of the other covenants specified therein; and (ii) "Good Reason" as, without the employee's consent, (A) a material demotion in the employee's title, duties, or responsibilities, (provided, however, that in connection with any sale, merger or similar transaction involving all or substantially all of the business or assets of the Company, neither the acquiring entity's change in the employee's title or reporting relationship(s) in connection with such transaction nor the employee's duties and responsibilities being performed at a division or subsidiary of the acquiring entity shall, itself, constitute Good Reason), (B) a 5% or more reduction in base salary or target bonus (other than pursuant to an across-the-board reduction applicable to all similarly situated executives), (C) the relocation of the employee's principal place of employment more than 30 miles from its current location, (D) a material diminution in the aggregate benefits offered under the Company's benefit programs, including but not limited to employer health, vision, or dental employee paid premiums, vehicle allowance program or 401(k) plan, other than as a result of, or response to, changes in applicable law or customary changes across businesses in the United States, or (E) any other material breach of a provision of the employment agreement by the Company (other than a provision that is covered by clause (A), (B), or (C) above).

The employment agreement for Mr. Lenamon generally defines: (i) "Cause" as (a) willful neglect in the performance of the employee's duties for the Company or willful or repeated failure or refusal to perform such duties, (b) engagement in conduct in connection with the employee's employment or services with the Company (other than the good faith performance of the employee's duties), which results in material harm to the business or reputation of the Company or any other member of Kodiak Holdings' company group, (c) conviction of, or plea of guilty or no contest to, (I) any felony or (II) any other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or any other member of Kodiak Holdings' company group, (d) material violation of the written policies of the Company, including but not limited to those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company, (e) fraud or misappropriation, embezzlement, or misuse of funds or property belonging to the Company or any other member of Kodiak Holdings' company group, or (f) breach of the restrictive covenant provisions of the employment agreement or any of the other covenants specified therein; and (ii) "Good Reason" as, without the employee's written consent, (A) a material demotion in the employee's title, duties, or responsibilities, (provided, however, that in connection with any sale, merger or similar transaction involving all or substantially all of the business or assets of the Company, neither the acquiring entity's change in the employee's title or reporting relationship(s) in connection with such transaction nor the employee's duties and responsibilities being performed at a division or subsidiary of the acquiring entity shall, itself, constitute Good Reason), (B) a 5% or more reduction in base salary or target bonus (other than pursuant to an across-the-board reduction applicable to all similarly situated executives), (C) the relocation of the employee's principal place of employment more than 30 miles from its current location, (D) a material diminution in the aggregate benefits offered under the Company's benefit programs, including but not limited to employer health, vision, or dental employee paid premiums, vehicle allowance program or 401(k) plan, other than as a result of, or response to, changes in applicable law or customary changes across businesses in the United States, or (E) any other material breach of a provision of the employment agreement by the Company (other than a provision that is covered by clause (A), (B), or (C) above).

### ***2023 Omnibus Incentive Plan***

In order to incentivize our employees following the completion of this offering, we anticipate that our board of directors will adopt an omnibus incentive plan (the "Omnibus Plan") for employees, consultants and directors prior to the completion of this offering. Our Named Executive Officers will be eligible to participate in the Omnibus Plan, which we expect will become effective upon the consummation of this offering. We anticipate that the Omnibus Plan will provide for the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, stock awards, dividend equivalents, other stock-based awards, cash awards and substitute awards intended to align the interests of service providers, including our Named Executive Officers, with those of our shareholders.

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### *Securities Offered*

Subject to adjustment in the event of certain transactions or changes of capitalization in accordance with the Omnibus Plan, a total of \_\_\_\_\_ shares of common stock will initially be reserved for issuance pursuant to awards under the Omnibus Plan. The total number of shares reserved for issuance under the Omnibus Plan will be increased annually on January 1 of each fiscal year beginning in 2024 and ending and including January 1, 2033, by the lesser of (i) 3% of the total number of shares of common stock outstanding on the final day of the immediately preceding calendar year and (ii) such number of shares as is determined by our board of directors. No more than \_\_\_\_\_ shares of common stock under the Omnibus Plan may be issued pursuant to incentive stock options. Shares of common stock subject to an award that expires or is canceled, forfeited, exchanged, settled in cash or otherwise terminated without delivery of shares and shares withheld to pay the exercise price of, or to satisfy the withholding obligations with respect to, an award will again be available for delivery pursuant to other awards under the Omnibus Plan.

### *Administration*

The Omnibus Plan will be administered by one or more committees of our board of directors (the “Committee”), except to the extent the Committee delegates its powers to a subcommittee or to any officer of the Company to administer the Omnibus Plan. The Committee has broad discretion to administer the Omnibus Plan, including the power to determine the number and type of awards to be granted and the terms and conditions of awards. The Committee may also accelerate the vesting or exercise of any award and make all other determinations and to take all other actions necessary or advisable for the administration of the Omnibus Plan. To the extent the Omnibus Plan administrator is not the Committee, the Committee will retain the authority to take all actions permitted by the Omnibus Plan administrator under the Omnibus Plan. Additionally, the board of directors retains the right to exercise the authority of the Committee to the extent consistent with applicable law.

### *Eligibility*

Our employees, consultants and non-employee directors, and employees, consultants and non-employee directors of our affiliates, will be eligible to receive awards under the Omnibus Plan.

### *Non-Employee Director Compensation Limits*

Under the Omnibus Plan, in a single fiscal year, a non-employee director may not be granted awards for such individual’s service on our board of directors having a value, taken together with any cash fees paid to such non-employee director, in excess of \$750,000 (except that additional compensation may be provided to the non-employee director in the year in which the pricing date of the IPO occurs or for any year in which the non-employee director first commences services on the board of directors, serves on a special committee of the board or serves as lead director or non-executive chair of the board).

### *Types of Awards*

*Stock Options.* We may grant stock options to eligible persons, except that incentive stock options may only be granted to persons who are our employees or employees of one of our subsidiaries, in accordance with Section 422 of the Code. The exercise price of a stock option generally cannot be less than 100% of the fair market value of a share of common stock on the date on which the stock option is granted and the stock option must not be exercisable for longer than 10 years following the date of grant. In the case of an incentive stock option granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our equity securities, the exercise price of the stock option must be at least 110% of the fair market value of a share of common stock on the date of grant and the stock option must not be exercisable more than five years from the date of grant.

*SARs.* A SAR is the right to receive an amount equal to the excess of the fair market value of one share of common stock on the date of exercise over the grant price of the SAR. The grant price of a SAR generally cannot

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be less than 100% of the fair market value of a share of common stock on the date on which the SAR is granted. The term of a SAR may not exceed 10 years. The Committee has the discretion to determine other terms and conditions of an SAR award.

*Restricted Stock Awards.* A restricted stock award is a grant of shares of common stock subject to the restrictions on transferability and risk of forfeiture imposed by the Committee. Unless otherwise determined by the Committee and specified in the applicable award agreement, the holder of a restricted stock award has rights as a shareholder, including the right to vote the shares of common stock subject to the restricted stock award or to receive dividends on the shares of common stock subject to the restricted stock award during the restriction period. In the discretion of the Committee or as set forth in the applicable award agreement, dividends distributed prior to vesting may be subject to the same restrictions and risk of forfeiture as the restricted stock with respect to which the distribution was made.

*Restricted Stock Units.* A restricted stock unit, or RSU, is a right to receive cash, shares of common stock or a combination of cash and shares of common stock at the end of a specified period equal to the fair market value of one share of common stock on the date of vesting. RSUs may be subject to the restrictions, including a risk of forfeiture, imposed by the Committee. If the Committee so provides, a grant of RSUs may provide a participant with the right to receive dividend equivalents.

*Performance Awards.* A performance award is an award that vests and/or becomes exercisable or distributable subject to the achievement of certain performance goals during a specified performance period, as established by the Committee. Performance awards may be granted alone or in addition to other awards under the Omnibus Plan and may be paid in cash, shares of common stock, other property or any combination thereof, in the sole discretion of the Committee as set forth in the applicable award agreement.

*Other Stock-Based Awards.* Other stock-based awards are awards denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, the value of our shares of common stock.

*Cash Awards.* Cash awards may be granted on such terms and conditions, including vesting conditions, and for such consideration, including no consideration or minimum consideration as required by applicable law, as the Committee determines in its sole discretion.

*Substitute Awards.* In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, awards may be granted in substitution for any other award granted before such merger or consolidation by such entity or its affiliates.

### *Certain Transactions*

If any change is made to our capitalization, such as a share split, share combination, share dividend, exchange of shares or other recapitalization, merger or otherwise, that results in an increase or decrease in the number of outstanding shares of common stock, appropriate adjustments will be made by the Committee in the shares subject to an award under the Omnibus Plan. The Committee will also have the discretion to make certain adjustments to awards in the event of a change in control, such as accelerating the vesting or exercisability of awards, requiring the surrender of an award, with or without consideration, or making any other adjustment or modification to the award that the Committee determines is appropriate in light of such transaction.

### *Clawback*

All awards granted under the Omnibus Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with any Company clawback policy or similar policy that we may adopt and that we determine should apply to awards under the Omnibus Plan. Additionally, certain awards and cash and shares received in connection with certain awards may be forfeited or repaid to the Company by a participant upon the participant's engagement in "Detrimental Conduct" as defined in the Omnibus Plan.

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### *Plan Amendment and Termination*

The board of directors or the Committee may amend or terminate any award, award agreement or the Omnibus Plan at any time; however, shareholder approval will be required for any amendment to the extent necessary to comply with applicable law. Shareholder approval will be required to make amendments that (i) increase the aggregate number of shares that may be issued under the Omnibus Plan, (ii) change the classification of individuals eligible to receive awards under the Omnibus Plan or (iii) reduce the exercise price of any stock option or stock appreciation right or take certain actions that would result in the reduction of such exercise price, including the grant of substitute awards or a repricing. The Omnibus Plan will remain in effect for a period of 10 years (unless earlier terminated by our board of directors).

### **Director Compensation**

The following table summarizes the compensation awarded or paid to certain non-employee members of our board of directors for the fiscal year ended December 31, 2022. Other than the meeting fees as set forth in the table and described more fully below, we did not pay any compensation, make any equity awards or non-equity awards to, or pay any other compensation to, any of the other non-employee members of our board of directors in 2022.

<b>Name</b>	<b>Fees Earned or Paid in Cash (S)</b>	<b>Option Awards (S) (1)</b>	<b>Total (S)</b>
Randall J. Hogan	170,000	—	170,000
Margaret C. (“Peggy”) Montana	62,500	—	62,500
Terry B. Bonno	62,500	—	62,500

We intend to implement a non-employee director compensation program in connection with this offering, but the details of this program have not yet been determined.

- (1) As of December 31, 2022, Randall J. Hogan holds 427.7 Class B Units, Margaret C. (“Peggy”) Montana holds 183.3 Class B Units, and Terry B. Bonno holds 73.3 Class B Units. The Class B Units represent membership interests in Kodiak Holdings that are intended to constitute profits interests for federal income tax purposes. Despite the fact that the Class B Units do not require the payment of an exercise price, they are most similar economically to stock options. Accordingly, they are classified as “options” under the definition provided in Item 402(a)(6)(i) of Regulation S-K as an instrument with an “option-like feature.”

## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The descriptions set forth below are qualified in their entirety by reference to the applicable agreements.

### **Kodiak Holdings**

#### ***Stockholders' Agreement***

In connection with this offering, we intend to enter into a stockholders' agreement with Kodiak Holdings that will provide Kodiak Holdings and its affiliates who hold our shares certain rights to designate nominees for election to our board of directors. The stockholders' agreement will provide that, subject to compliance with applicable law and stock exchange rules, for so long as Kodiak Holdings and its affiliates beneficially own at least 35% of our common stock then outstanding, it shall be entitled to designate two directors to our board of directors; and for so long as Kodiak Holdings and its affiliates beneficially own at least 10% of our common stock then outstanding, it shall be entitled to designate at least one director. So long as Kodiak Holdings has the right to designate directors to our board of directors, it will also have the right to appoint the same number of board observers, who will be entitled to attend all meetings of the board in a non-voting, observer capacity.

For so long as Kodiak Holdings beneficially owns at least 35% of our outstanding common stock, we and our subsidiaries may not, without the approval of Kodiak Holdings, take any of the following actions:

- change the size of our board of directors;
- amend, restate, modify or waive our certificate of incorporation or bylaws;
- enter into voluntary liquidation or dissolution, commence bankruptcy or insolvency proceedings, adopt a plan with respect to any of the foregoing or decide not to oppose any similar proceeding commenced by a third party;
- consummate a transaction that would result in a change of control of the Company or a sale of all or substantially all of our assets;
- incur debt for borrowed money (or liens securing such debt) in excess of \$ \_\_\_\_\_, including incremental incurrences under existing debt facilities;
- authorize, create (by way of reclassification, merger, consolidation or otherwise) or issue in excess of \$ \_\_\_\_\_ of any equity securities of any kind (other than pursuant to any equity compensation plan approved by the compensation committee or intra-company issuances among the Company and our subsidiaries), including any designation of the rights (including special voting rights) of one or more classes of preferred stock;
- modify our dividend policy; and
- sell, transfer or otherwise dispose of our assets not in the ordinary course of business in a transaction or series of transactions with a fair market value in excess of \$ \_\_\_\_\_ million.

After the completion of this offering, EQT will be subject to contractual restrictions that may affect Kodiak Holdings' exercise of its rights to approve corporate actions under the Stockholders' Agreement.

The stockholders' agreement will terminate upon the earliest to occur of (a) the date on which Kodiak Holdings and its affiliates are no longer entitled to designate a director to the board of directors and (b) the written notice of Kodiak Holdings to the Company requesting such termination.

#### ***Registration Rights Agreement***

In connection with the closing of this offering, we will enter into a registration rights agreement with Kodiak Holdings granting them registration rights. Under the registration rights agreement, we will agree to register the

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sale of shares of our Common Stock held by Kodiak Holdings and certain other holders under certain circumstances, and to provide such stockholders with certain customary underwritten offering, block trade and piggyback rights.

### **Lease Agreement**

In 2020, 2021 and since January 1, 2022, Kodiak Gas Services, LLC, a wholly owned indirect subsidiary of Kodiak Gas Services, Inc., paid \$90,000, \$108,000 and \$126,000, respectively, to Canyon Ridge Ranch, LLC, a Texas limited liability company (“Canyon Ridge”) in exchange for the right to use real property located at 865 Metz Road, Goliad, Texas 77963 for recreational purposes. Chad Lenamon, our current Executive Vice President and Chief Operations Officer, holds a 50% interest in the profits and losses of Canyon Ridge and is one of two managing members thereof.

### **Procedures for Approval of Related Party Transactions**

A “Related Party Transaction” is a transaction, arrangement or relationship in which we or any of our subsidiaries was, is or will be a participant, the amount of which involved exceeds \$120,000, and in which any related person had, has or will have a direct or indirect material interest. A “Related Person” means:

- any person who is, or at any time during the applicable period was, one of our executive officers or one of our directors;
- any person who is known by us to be the beneficial owner of more than 5.0% of our common stock;
- any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of a director, executive officer or a beneficial owner of more than 5.0% of our common stock, and any person (other than a tenant or employee) sharing the household of such director, executive officer or beneficial owner of more than 5.0% of our common stock; and
- any firm, corporation or other entity in which any of the foregoing persons is a partner or principal or in a similar position or in which such person has a 10.0% or greater beneficial ownership interest.

Our board of directors intends to adopt a written related party transactions policy prior to the completion of this offering. Pursuant to this policy, the Audit & Risk Committee expects to review all material facts of all Related Party Transactions and either approve or disapprove entry into the Related Party Transaction, subject to certain limited exceptions. In determining whether to approve or disapprove entry into a Related Party Transaction, the Audit & Risk Committee expects to take into account, among other factors, the following: (1) whether the Related Party Transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and (2) the extent of the Related Person’s interest in the transaction. Further, the policy would require that all Related Party Transactions required to be disclosed in our filings with the SEC be so disclosed in accordance with applicable laws, rules and regulations.



**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information with respect to the beneficial ownership of our common stock as of \_\_\_\_\_, \_\_\_\_\_ by:

- each of our Named Executive Officers;
- each of our directors and director nominees;
- all of our directors, director nominees and executive officers as a group; and
- each person known to us to beneficially own 5% or more of our outstanding common stock.

Except as otherwise indicated, the persons or entities listed below have sole voting and investment power with respect to all shares of our common stock beneficially owned by them, except to the extent this power may be shared with a spouse. All information with respect to beneficial ownership has been furnished by the respective directors, executive officers or 5% or more stockholders, as the case may be. Unless otherwise noted, the mailing address of each listed beneficial owner is 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356.

To the extent the underwriters sell more than \_\_\_\_\_ shares of common stock, the underwriters have the option to purchase, exercisable within 30 days from the date of this prospectus, up to an additional \_\_\_\_\_ shares from us.

Name and address of beneficial owner	Shares beneficially owned prior to the offering		Shares beneficially owned after this offering (assuming no exercise of the underwriters' option to purchase additional shares)		Shares beneficially owned after this offering (assuming exercise in full of the underwriters' option to purchase additional shares)	
	Number	% <sup>(1)</sup>	Number	%	Number	%
<b>5% or more Stockholders:</b>						
Kodiak Holdings <sup>(2)</sup>						
<b>Directors, Director Nominees and Named Executive Officers:</b>						
Mickey McKee						
Ewan Hamilton						
Chad Lenamon						
Alex Darden						
Teresa Mattamouros						
Randall Hogan						
Terry Bonno						
Peggy Montana						
Jon-Al Duplantier						
Chris Drumgoole						
Gretchen Holloway						
<b>All directors, director nominees and executive officers as a group (13 persons)</b>						

\* less than 1%.

- (1) Based upon an aggregate of \_\_\_\_\_ shares outstanding as of \_\_\_\_\_, \_\_\_\_\_. For each stockholder, in accordance with Rule 13d-3 promulgated under the Exchange Act, this percentage is determined by assuming the named stockholder exercises all options and other instruments pursuant to which the stockholder has the right to acquire shares of our common stock within 60 days of \_\_\_\_\_, \_\_\_\_\_, but that no other person exercises any options or other purchase rights (except with respect to the calculation of the beneficial ownership of all directors and executive officers as a group, for which the percentage assumes that all directors and executive officers exercise all such options or other purchase rights).
- (2) Consists of shares of common stock held directly by Kodiak Holdings. Frontier GP is the general partner of Kodiak Holdings. EQT Infrastructure III SCSp ("EQT Infrastructure III") owns 100% of the membership interests in Frontier GP. EQT Fund Management S.à r.l. ("EFMS") has exclusive responsibility for the management and control of the business and affairs of investment vehicles which constitute the majority of the total commitments to EQT Infrastructure III. As such, EFMS has the power to control Frontier GP's voting and investment decisions and may be deemed to have beneficial ownership of the securities held by Kodiak Holdings. EFMS is overseen by a board that acts by majority approval. The individual members of such board are Joshua Stone, Peter Veldman and Sara Huda. The registered address of Kodiak Holdings and Frontier GP is 108 Lakeland Ave, Dover, Kent County, Delaware, 19901 USA. The registered address of EFMS is 51A, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg, which is also the mailing address of each of Kodiak Holdings and Frontier GP. In connection with the closing of this offering, Kodiak Holdings will pledge the shares it owns as collateral under the Holdco Term Loan and will grant the lender thereunder certain consent rights over Kodiak Holdings' exercise of its rights under the Stockholders' Agreement.

## DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock will consist of \_\_\_\_\_ shares of common stock, par value \$0.01 per share, of which \_\_\_\_\_ shares of common stock will be issued and outstanding upon completion of this offering and \_\_\_\_\_ shares of preferred stock, par value \$0.01 per share, of which no shares will be issued and outstanding.

The following summary of the capital stock and our charter and our bylaws does not purport to be complete and is qualified in its entirety by reference to the provisions of applicable law and to our charter and bylaws, which will be filed as exhibits to the registration statement of which this prospectus is a part.

### Common Stock

Except as provided by law or in a preferred stock designation, holders of our common stock will be entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. Because holders of our common stock will have the exclusive right to vote for the election of directors and do not have cumulative voting rights, the holders of a majority of the shares of our common stock will be able to elect all of the members of the board of directors standing for election, subject to the rights, powers and preferences of any outstanding series of preferred stock and the Stockholders' Agreement. Subject to the rights and preferences of any preferred stock that we may issue in the future, the holders of our common stock will be entitled to receive:

- dividends as may be declared by our board of directors; and
- all of our assets available for distribution to holders of our common stock in liquidation, pro rata, based on the number of shares held.

There will be no redemption or sinking fund provisions applicable to our common stock. All outstanding shares of our common stock will be fully paid and non-assessable, and the shares of common stock to be issued upon completion of this offering will be fully paid and non-assessable.

### Preferred Stock

Subject to the provisions of our charter and legal limitations, our board of directors will have the authority, without further vote or action by our stockholders, subject to the Stockholders' Agreement:

- to issue up to \_\_\_\_\_ shares of preferred stock in one or more series; and
- to fix the rights, preferences, privileges and restrictions of our preferred stock, including provisions related to dividends, conversion, voting, redemption, liquidation and the number of shares constituting the series or the designation of that series, which may be superior to those of our common stock.

There will be no shares of preferred stock outstanding upon the closing of this offering, and we have no present plans to issue any preferred stock.

The issuance of shares of preferred stock by our board of directors as described above may adversely affect the rights of the holders of our common stock. For example, preferred stock may rank prior to our common stock as to dividend rights, liquidation preference or both, may have full or limited voting rights and may be convertible into shares of our common stock. The issuance of shares of preferred stock may discourage third-party bids for our common stock or may otherwise adversely affect the market price of our common stock. In addition, the issuance of shares of preferred stock may enable our board of directors to make it more difficult or to discourage attempts to obtain control of us through a hostile tender offer, proxy contest, merger or otherwise, or to make changes in our management.

### **Anti-Takeover Effects of Provisions of Our Charter, Our Bylaws and Delaware Law**

Some provisions of Delaware law, our charter and our bylaws could make certain change of control transactions more difficult, including acquisitions of us by means of a tender offer, a proxy contest or otherwise, as well as removal of our incumbent officers and directors. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions that might result in a premium over the market price for our shares. Therefore, these provisions could adversely affect the price of our common stock.

These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection and our potential ability to negotiate with the proponent of an unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

#### ***Opt Out of Section 203 of the DGCL***

In our charter, we will elect not to be subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, those provisions prohibit a Delaware corporation, including those whose securities are listed for trading on the NYSE, from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder, unless:

- the transaction is approved by the board of directors before the date the interested stockholder attained that status;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or
- on or after the date the interested stockholder attained that status, the business combination is approved by the board of directors and authorized at a meeting of stockholders by at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

#### ***Our Charter and Bylaws***

Among other things, our charter and bylaws will:

- establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely delivered to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be delivered to our corporate secretary not less than 90 days nor more than 120 days prior to the first anniversary of the date of the Company's proxy statement released to the stockholders for the preceding year's annual meeting. Our bylaws will specify the requirements as to form and content of all stockholders' notices. These requirements may deter stockholders from bringing matters before the stockholders at an annual or special meeting;
- authorize our board of directors to issue undesignated preferred stock. This ability makes it possible for our board of directors to issue, without stockholder approval, preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company;

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- provide that the authorized number of directors may be changed only by resolution of the board of directors;
- provide that all vacancies, including newly created directorships, may, except as otherwise required by law or, if applicable, the rights of holders of a series of preferred stock, be filled by the affirmative vote of a majority of the total number of directors then in office, even if less than a quorum;
- provide that, if Kodiak Holdings (or its permitted transferees) holds less than 35% of the outstanding shares of common stock, any action required or permitted to be taken by the stockholders must be effected at a duly called annual or special meeting of stockholders and may not be effected by any consent in writing in lieu of a meeting of such stockholders, subject to the rights of the holders of any series of preferred stock with respect to such series;
- provide that, if Kodiak Holdings (or its permitted transferees) holds less than 35% of the outstanding shares of common stock, special meetings of our stockholders may only be called by resolution of the board of directors;
- provide that our board of directors be divided into three classes of directors, with each class as nearly equal in number as possible, serving staggered three-year terms, other than directors which may be elected by holders of preferred stock, if any. This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of the directors;
- provide that we renounce any interest or expectancy in any business opportunity (existing and future) that involves any aspect of the energy business or industry and that may be from time to time presented to EQT or any director or officer of the corporation who is also an employee, partner, member, manager, officer or director of EQT or any affiliate of EQT, and that such persons have no obligation to offer us those investments or opportunities (see “—Renunciation of Business Opportunities” for more information);
- provide that, if Kodiak Holdings (or its permitted transferees) holds less than 35% of the outstanding shares of common stock, our charter and bylaws may be amended by the affirmative vote of the holders of at least two-thirds of our then outstanding common stock; and
- provide that, if at any time Kodiak Holdings (or its permitted transferees) holds less than % of the outstanding common stock, a member of our board of directors may only be removed for cause and only by the affirmative vote of the holders of at least two-thirds of our then outstanding common stock.

### ***Forum Selection***

Our charter will provide that unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by applicable law, be the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or agents to us or our stockholders;
- any action asserting a claim against us or any director or officer or other employee of ours arising pursuant to any provision of the DGCL, our charter or our bylaws; or
- any action asserting a claim against us or any director or officer or other employee of ours that is governed by the internal affairs doctrine, in each such case subject to such Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein.

Notwithstanding the foregoing sentence, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under U.S. federal securities laws, including the Securities Act and the Exchange Act.

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Our charter also provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of, and to have consented to, these forum selection provisions. Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against our directors, officers, employees and agents. The enforceability of similar exclusive forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with one or more actions or proceedings described above, a court could rule that this provision in our charter is inapplicable or unenforceable.

### **Renouncement of Business Opportunities**

EQT may invest in companies that may compete with us in the future. Our charter will provide that we renounce any interest in any business opportunity in which EQT or any affiliate of EQT participates or desires or seeks to participate in and that involves any aspect of any business or business activity that overlaps with or competes with our business, other than:

- any business opportunity that is brought to the attention of an EQT Nominee solely in such person's capacity as our director or officer and with respect to which neither EQT nor any affiliate of EQT independently receives notice or otherwise identifies such opportunity; or
- any business opportunity that is identified by EQT solely through the disclosure of information by or on behalf of us.

In addition, EQT and any of its directors, officers, principals, employees, agents, or their affiliates (each, an "EQT Nominee") may pursue opportunities in the energy industry for their own account or present such opportunities to us or one of EQT's other portfolio companies. Our charter will provide that the EQT and any EQT Nominee have no obligation to offer such opportunities to us, even if the failure to provide such opportunity would have a competitive impact on us. We are not prohibited from pursuing any business opportunity with respect to which we have renounced any interest.

Our charter will further provide that any amendment to or adoption of any provision inconsistent with the charter's provisions governing the renouncement of business opportunities must be approved by the holders of at least % of the voting power of the outstanding stock of the corporation entitled to vote thereon.

### **Limitation of Liability and Indemnification of Officers and Directors**

As permitted by Section 145 of the DGCL, our bylaws will provide that:

- we shall indemnify our directors and executive officers to the fullest extent permitted by the DGCL, subject to limited exceptions, and that we may indemnify other officers, employees or other agents;
- we shall advance expenses to our directors and executive officers in connection with a legal proceeding to the fullest extent permitted by the DGCL, subject to limited exceptions; and
- the rights provided in our bylaws are not exclusive.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the DGCL is amended to provide for further limitations on the personal liability of directors or officers of corporations, then the personal liability of our directors and officers will be further limited to the fullest extent permitted by the DGCL.

### **Registration Rights**

For a description of registration rights relating to our common stock, see "Certain Relationships and Related Party Transactions—Registration Rights Agreement."

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**Transfer Agent and Registrar**

The transfer agent and registrar for the common stock is Computershare Trust Company, N.A.

**Listing; Public Market**

We intend to list our common stock on the NYSE under the symbol "KGS." There is no established market for our shares of common stock. The development and maintenance of a public market for our common stock, having the desirable characteristics of depth, liquidity and orderliness, depends on the existence of willing buyers and sellers, the presence of which is not within our control or that of any market maker. The number of active buyers and sellers of shares of our common stock at any particular time may be limited, which may have an adverse effect on the price at which shares of our common stock can be sold.

## CERTAIN CONSIDERATIONS FOR ERISA AND OTHER U.S. BENEFIT PLANS

Subject to the following considerations, shares of common stock may be acquired and held by employee benefit plans that are subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the “Code”) or employee benefit plans that are governmental plans (as defined in Section 3(32) of ERISA) or other plans that are not subject to Title I of ERISA or Section 4975 of the Code, but may be subject to state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, “Similar Laws”), and entities whose underlying assets are considered to include “plan assets” of any such plan, account or arrangement (each, a “Plan”).

The following is based on the provisions of ERISA and the Code (and related regulations and administrative and judicial interpretations) as of the date of this prospectus. This discussion does not purport to be complete, and no assurance can be given that future legislation, court decisions, regulations, rulings or pronouncements will not significantly modify the requirements discussed below. Any of these changes may be retroactive and may thereby apply to transactions entered into prior to the date of their enactment or release. This discussion is general in nature and is not intended to be all inclusive, nor should it be construed as investment or legal advice.

### General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an “ERISA Plan”) and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of an ERISA Plan or the management or disposition of the assets of an ERISA Plan, or who renders investment advice for a fee or other compensation to an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in shares of common stock with a portion of the assets of any Plan, a fiduciary should consider the Plan’s particular circumstances and all of the facts and circumstances of the investment and determine whether the acquisition and holding of shares of common stock is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Laws relating to the fiduciary’s duties to the Plan, including, without limitation:

- whether the investment is prudent under Section 404(a)(1)(B) of ERISA and any Similar Laws, as applicable;
- whether, in making the investment, the Plan will satisfy the diversification requirements of Section 404(a)(1)(C) of ERISA and any Similar Laws, as applicable;
- whether the investment is permitted under the terms of the applicable documents governing the Plan; and
- whether the acquisition or holding of the shares of common stock will constitute a non-exempt “prohibited transaction” under Section 406 of ERISA or Section 4975 of the Code or a violation of Similar Laws (see “—Prohibited Transaction Issues” below).

### Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are “parties in interest,” within the meaning of ERISA, or “disqualified persons,” within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that

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engages in such a non-exempt prohibited transaction may be subject to excise taxes, penalties and liabilities under ERISA and the Code. The acquisition and/or holding of shares of common stock by an ERISA Plan with respect to which the issuer, the underwriters or their affiliates is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction in violation of Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption.

Because of the foregoing, shares of common stock should not be acquired or held by any person investing “plan assets” of any Plan, unless such acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA and the Code or a violation of any applicable Similar Laws.

Due to the complexity of these rules and the excise taxes, penalties and liabilities that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering acquiring and/or holding shares of our common stock on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the acquisition and holding of shares of common stock. Purchasers of shares of common stock have the exclusive responsibility for ensuring that their acquisition and holding of shares of common stock complies with the fiduciary responsibility rules of ERISA and does not violate the prohibited transaction rules of ERISA, the Code or applicable Similar Laws. The sale of shares of common stock to a Plan is in no respect a representation by us, the underwriters or any of our affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by any such Plan or that such investment is appropriate for any such Plan.



## SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of a substantial number of shares of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity-related capital at a time and price we deem appropriate.

### Sales of Restricted Shares

Upon the closing of this offering, we will have outstanding an aggregate of \_\_\_\_\_ shares of common stock (or \_\_\_\_\_ shares of common stock if the underwriters' option to purchase additional shares is exercised). Of these shares, all of the \_\_\_\_\_ shares of common stock (or \_\_\_\_\_ shares of common stock if the underwriters' option to purchase additional shares is exercised) to be sold in this offering will be freely tradable without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act. All remaining shares of common stock held by existing stockholders will be deemed "restricted securities" as such term is defined under Rule 144. The restricted securities were, or will be, issued and sold by us in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below.

As a result of the lock-up agreements described below and the provisions of Rule 144 and Rule 701 under the Securities Act, the shares of our common stock (excluding the shares to be sold in this offering) that will be available for sale in the public market are as follows:

- \_\_\_\_\_ shares will be eligible for sale upon the expiration of the lock-up agreements, beginning 180 days after the date of this prospectus and when permitted under Rule 144 or Rule 701; and
- \_\_\_\_\_ shares will be eligible for sale, upon exercise of vested options, upon the expiration of the lock-up agreements, beginning 180 days after the date of this prospectus.

### Lock-up Agreements

We, all of our directors and officers and Kodiak Holdings have agreed not to sell any common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock for a period of 180 days from the date of this prospectus, subject to certain exceptions. See "Underwriting" for a description of these lock-up provisions.

### Rule 144

In general, under Rule 144 as currently in effect, once we have been a reporting company subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act for 90 days, a person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months (including any period of consecutive ownership of preceding non-affiliated holders) would be entitled to sell those shares, subject only to the availability of current public information about us. A non-affiliated person who has beneficially owned restricted securities within the meaning of Rule 144 for at least one year would be entitled to sell those shares without regard to the provisions of Rule 144.

Once we have been a reporting company subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act for 90 days, a person (or persons whose shares are aggregated) who is deemed to be an affiliate of

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ours and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months would be entitled to sell within any three-month period a number of shares that does not exceed the greater of one percent of the then outstanding shares of our common stock or the average weekly trading volume of our common stock reported through the NYSE during the four calendar weeks preceding the filing of notice of the sale. Such sales are also subject to certain manner of sale provisions, notice requirements and the availability of current public information about us.

### **Rule 701**

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchases shares from us in connection with a compensatory stock or option plan or other written agreement pursuant to Rule 701 before the effective date of the Registration Statement for this offering is entitled to sell such shares 90 days after the effective date of this offering in reliance on Rule 144, without having to comply with the holding period requirement of Rule 144 and, in the case of non-affiliates, without having to comply with the public information, volume limitation or notice filing provisions of Rule 144. The SEC has indicated that Rule 701 will apply to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after the date of this prospectus.

### **Stock Issuable Under Employee Plans**

We intend to file a registration statement on FormS-8 under the Securities Act to register stock issuable under our equity incentive plan. This registration statement is expected to be filed following the effective date of the Registration Statement of which this prospectus is a part and will be effective upon filing. Accordingly, shares registered under such registration statement will be available for sale in the open market following the effective date, unless such shares are subject to vesting restrictions with us, Rule 144 restrictions applicable to our affiliates or the lock-up restrictions described above.

### **Registration Rights**

For a description of registration rights relating to our common stock, see “Certain Relationships and Related Party Transactions—Registration Rights Agreement.”

## MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our common stock by a non-U.S. holder (as defined below), that acquires such common stock pursuant to this offering and holds our common stock as a “capital asset” within the meaning of Section 1221 of the Code (generally property held for investment). This summary is based on the provisions of the Code, U.S. Treasury regulations, administrative rulings and pronouncements and judicial decisions, all as in effect on the date hereof, and all of which are subject to change and differing interpretations, possibly with retroactive effect. We cannot assure you that a change in law will not significantly alter the tax considerations that we describe in this summary. We have not sought and do not intend to seek any ruling from the Internal Revenue Service (“IRS”) with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as:

- banks, insurance companies or other financial institutions;
- tax-exempt or governmental organizations;
- qualified foreign pension funds (or any entities all of the interests of which are held by a qualified foreign pension fund);
- dealers in securities or foreign currencies;
- “controlled foreign corporations,” “passive foreign investment companies” or corporations that accumulate earnings to avoid U.S. federal income tax;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- entities or other arrangements treated as a partnership or other pass-through entity for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons that acquired our common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- certain former citizens or long-term residents of the United States; and
- persons that hold our common stock as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.

**PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.**

### **Non-U.S. Holder Defined**

For purposes of this discussion, a “non-U.S. holder” is a beneficial owner of our common stock that is not for U.S. federal income tax purposes a partnership or any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) the administration of which is subject to the primary supervision of a U.S. court and which has one or more United States persons (within the meaning of Section 7701(a)(30) of the Code) who have the authority to control all substantial decisions of the trust or (ii) which has made a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner, upon the activities of the partner and the partnership and upon certain determinations made at the partner level. Accordingly, we urge partnerships and partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our common stock to consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our common stock by such partnership.

### **Distributions**

Distributions of cash or property on our common stock, if any, will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a non-taxable return of capital to the extent of the non-U.S. holder’s tax basis in our common stock (and will reduce such tax basis until such tax basis equals zero) and thereafter as capital gain from the sale or exchange of such common stock. See “—Gain on Disposition of Common Stock.” Subject to the withholding requirements under FATCA (as defined below) and with respect to effectively connected dividends, each of which is discussed below, any distribution made to a non-U.S. holder on our common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividend unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must timely provide the applicable withholding agent with a properly completed and executed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or other applicable or successor form) certifying qualification for the reduced rate. A non-U.S. holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders are urged to consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Dividends paid to a non-U.S. holder that are effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, are treated as attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons (as defined under the Code). Such effectively connected dividends will not be subject to U.S. federal withholding tax if the non-U.S. holder satisfies certain certification requirements by timely providing the applicable withholding agent with a properly completed and executed IRS Form W-8ECI (or other applicable or successor form) certifying eligibility for exemption. If the non-U.S. holder is a corporation for U.S. federal income tax purposes, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends.

### **Gain on Disposition of Common Stock**

Subject to the discussion below under “—Backup Withholding and Information Reporting” and “—Additional Withholding Requirements under FATCA,” a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on any gain realized upon the sale or other disposition of our common stock unless:

- the non-U.S. holder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;
- the gain is effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or
- our common stock constitutes a United States real property interest by reason of our status as a United States real property holding corporation (“USRPHC”) for U.S. federal income tax purposes and as a result such gain is treated as effectively connected with a trade or business conducted by the non-U.S. holder in the United States.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as specified by an applicable income tax treaty) on the amount of such gain, which generally may be offset by U.S. source capital losses.

A non-U.S. holder whose gain is described in the second bullet point above or, subject to the exceptions described in the next paragraph, the third bullet point above, generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons (as defined under the Code) unless an applicable income tax treaty provides otherwise. If the non-U.S. holder is a corporation for U.S. federal income tax purposes whose gain is described in the second bullet point above, then such gain would also be included in its effectively connected earnings and profits (as adjusted for certain items), which may be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty).

Generally, a corporation is a USRPHC if the fair market value of its United States real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. We believe that we currently are not a USRPHC for U.S. federal income tax purposes, and we do not expect to become a USRPHC for the foreseeable future. However, in the event that we become a USRPHC, as long as our common stock is and continues to be “regularly traded on an established securities market,” (within the meaning of the U.S. Treasury regulations) only a non-U.S. holder that actually or constructively owns, or owned at any time during the shorter of the five-year period ending on the date of the disposition or the non-U.S. holder’s holding period for the common stock, more than 5% of our common stock will be treated as disposing of a U.S. real property interest and will be taxable on gain realized on the disposition of our common stock as a result of our status as a USRPHC. If we were to become a USRPHC and our common stock were not considered to be regularly traded on an established securities market, a non-U.S. holder (regardless of the percentage of stock owned) would be treated as disposing of a U.S. real property interest and would be subject to U.S. federal income tax on a taxable disposition of our common stock (as described in the preceding paragraph), and a 15% withholding tax would apply to the gross proceeds from such disposition (and to any distributions treated as a non-taxable return of capital or capital gain from the sale or exchange of such common stock as described above under “—Distributions”).

Non-U.S. holders should consult their tax advisors with respect to the application of the foregoing rules to their ownership and disposition of our common stock.

### **Backup Withholding and Information Reporting**

Any distributions paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the

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non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form).

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our common stock effected within the United States or by or through a U.S. office of a broker generally will be subject to information reporting and backup withholding (at the applicable rate, which is currently 24%) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our common stock effected outside the United States by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the non-U.S. holder is not a United States person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our common stock effected outside the United States by such a broker if it has certain relationships within the United States.

Backup withholding is not an additional tax. Rather, the U.S. federal income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

### **Additional Withholding Requirements Under FATCA**

Sections 1471 through 1474 of the Code, and the U.S. Treasury regulations and administrative guidance issued thereunder (“FATCA”), impose a 30% withholding tax on any dividends paid on our common stock and (subject to the proposed U.S. Treasury regulations discussed below) on the gross proceeds from a disposition of our common stock, in each case, if paid to a “foreign financial institution” or a “non-financial foreign entity” (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are non-U.S. entities with U.S. owners), (ii) in the case of a non-financial foreign entity, such entity certifies that it does not have any “substantial United States owners” (as defined in the Code) or timely provides the applicable withholding agent with a certification identifying the direct and indirect substantial United States owners of the entity (in either case, generally on an IRS Form W-8BEN-E, or successor form, as applicable), or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E, or successor form, as applicable). Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. Under certain circumstances, a U.S. holder might be eligible for refunds or credits of such taxes. Non-U.S. holders are encouraged to consult their own tax advisors regarding the effects of FATCA on an investment in our common stock.

Although FATCA withholding could apply to the gross proceeds on the disposition of our common stock, the U.S. Treasury released proposed U.S. Treasury regulations (the “Proposed Regulations”) which eliminate FATCA withholding on the gross proceeds from the sale or other taxable disposition of common stock. The preamble of the Proposed Regulations specifies that taxpayers may rely on them pending finalization. There can be no assurance that the Proposed Regulations will be finalized in their present form.

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**INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF U.S. FEDERAL ESTATE AND GIFT TAX LAWS AND ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.**

**UNDERWRITING**

We and the underwriters named below have entered into an underwriting agreement with respect to the shares of common stock being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares of common stock indicated in the following table. Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC and Barclays Capital Inc. are the representatives of the underwriters.

<u>Name</u>	<u>Number of shares</u>
Goldman Sachs & Co. LLC	
J.P. Morgan Securities LLC	
Barclays Capital Inc.	
BofA Securities, Inc.	
Raymond James & Associates, Inc.	
RBC Capital Markets, LLC	
Stifel, Nicolaus & Company, Incorporated	
Truist Securities, Inc.	
Tudor, Pickering, Holt & Co. Securities, LLC	
Comerica Securities, Inc.	
Fifth Third Securities, Inc.	
Regions Securities LLC	
TCBI Securities, Inc.	
AmeriVet Securities, Inc.	
Guzman & Company	
R. Seelaus & Co., LLC	
Siebert Williams Shank & Co., LLC	
Total	

The underwriters are committed to take and pay for all of the shares of common stock being offered, if any are taken, other than the shares of common stock covered by the option described below unless and until this option is exercised.

The underwriters have an option to buy up to an additional \_\_\_\_\_ shares of common stock from us to cover sales of shares by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days after the date of this prospectus. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase \_\_\_\_\_ additional shares.

	<u>Paid by us</u>	
	<u>No Exercise</u>	<u>Full Exercise</u>
Per Share	\$	\$
Total	\$	\$

Shares of common stock sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to \$ \_\_\_\_\_ per share from the initial public offering price. After the initial offering of the shares of common stock, the representatives may change the offering price and the other selling terms. The offering of the shares of common stock by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.



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We and our officers, directors, and Kodiak Holdings have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 180 days after the date of this prospectus, except with the prior written consent of any two of Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC or Barclays Capital Inc. See “Shares Eligible for Future Sale” for a discussion of certain transfer restrictions.

Prior to the offering, there has been no public market for the shares of common stock. The initial public offering price has been negotiated among us and the representatives. Among the factors to be considered in determining the initial public offering price of the shares of common stock, in addition to prevailing market conditions, will our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

We intend to list our common stock on the NYSE under the symbol “KGS.” To meet one of the requirements for listing the common stock on the NYSE, the underwriters have undertaken to sell lots of 100 or more shares to a minimum of 400 beneficial holders.

In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A “covered short position” is a short position that is not greater than the amount of additional shares for which the underwriters’ option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares of common stock or purchasing shares of common stock in the open market. In determining the source of shares of common stock to cover the covered short position, the underwriters will consider, among other things, the price of shares of common stock available for purchase in the open market as compared to the price at which they may purchase additional shares of common stock pursuant to the option described above. “Naked” short sales are any short sales that create a short position greater than the amount of additional shares of common stock for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares of common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares of common stock sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our common stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on NYSE, in the over-the-counter market or otherwise.

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be approximately \$ . We have also agreed to reimburse the underwriters for certain of their expenses up to an amount of \$ .

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A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, and to contribute to payments that the underwriters may be required to make for these liabilities.

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

### **Directed Share Program**

At our request, \_\_\_\_\_, a participating Underwriter, has reserved for sale, at the initial public offering price, up to \_\_\_\_\_ % of the shares offered by this prospectus for sale to some of our directors, officers, employees, distributors, dealers, business associates and related persons. If these persons purchase reserved shares it will reduce the number of shares available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares offered by this prospectus.

### **Relationships with the Underwriters and Their Affiliates**

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, certain of the underwriters or their affiliates are lenders under our ABL Facility and to the extent a portion of the net proceeds of this offering are used to pay amounts outstanding under the ABL Facility, may receive a portion of the net proceeds from this offering.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of ours (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

**Notice to Prospective Investors in the European Economic Area**

In relation to each Member State of the European Economic Area (each an “EEA State”), no shares of common stock have been offered or will be offered pursuant to the offering to the public in that EEA State prior to the publication of a prospectus in relation to the shares of common stock which has been approved by the competent authority in that EEA State or, where appropriate, approved in another EEA State and notified to the competent authority in that EEA State, all in accordance with the EU Prospectus Regulation), except that offers of shares of common stock may be made to the public in that EEA State at any time under the following exemptions under the EU Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the EU Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the EU Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation,

provided that no such offer of shares of common stock shall require us or any representative to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any shares of common stock in any EEA State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares of common stock to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression “EU Prospectus Regulation” means Regulation (EU) 2017/1129.

This European Economic Area selling restriction is in addition to any other selling restrictions set out below.

**Notice to Prospective Investors in the United Kingdom**

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are “qualified investors” (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”).

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

**Notice to Prospective Investors in Canada**

The shares of common stock may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares of common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

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Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### **Notice to Prospective Investors in Hong Kong**

The shares of common stock may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("Companies (Winding Up and Miscellaneous Provisions) Ordinance") or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("Securities and Futures Ordinance"), or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the shares of common stock may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares of common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

### **Notice to Prospective Investors in Singapore**

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares of common stock may not be circulated or distributed, nor may the shares of common stock be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to conditions set forth in the SFA.

Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for 6 months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation's securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore ("Regulation 32").

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Where the shares of common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for 6 months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction (whether such amount is to be paid for in cash or by exchange of securities or other assets), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

### **Notice to Prospective Investors in Japan**

The shares of common stock have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The shares of common stock may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

### **Notice to Prospective Investors in Switzerland**

We have not and will not register with the Swiss Financial Market Supervisory Authority ("FINMA") as a foreign collective investment scheme pursuant to Article 119 of the Federal Act on Collective Investment Scheme of 23 June 2006, as amended ("CISA"), and accordingly the shares of common stock being offered pursuant to this prospectus have not and will not be approved, and may not be licensable, with FINMA. Therefore, the shares of common stock have not been authorized for distribution by FINMA as a foreign collective investment scheme pursuant to Article 119 CISA and the shares of common stock offered hereby may not be offered to the public (as this term is defined in Article 3 CISA) in or from Switzerland. The shares of common stock may solely be offered to "qualified investors," as this term is defined in Article 10 CISA, and in the circumstances set out in Article 3 of the Ordinance on Collective Investment Scheme of 22 November 2006, as amended ("CISO"), such that there is no public offer. Investors, however, do not benefit from protection under CISA or CISO or supervision by FINMA. This prospectus and any other materials relating to the shares of common stock are strictly personal and confidential to each offeree and do not constitute an offer to any other person. This prospectus may only be used by those qualified investors to whom it has been handed out in connection with the offer described in this prospectus and may neither directly or indirectly be distributed or made available to any person or entity other than its recipients. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in Switzerland or from Switzerland. This prospectus does not constitute an issue prospectus as that term is understood pursuant to Article 652a and/or 1156 of the Swiss Federal Code of Obligations. We have not applied for a listing of the shares of common stock on the SIX Swiss Exchange or any other regulated securities market in Switzerland, and consequently, the information presented in this prospectus does not necessarily comply with the information standards set out in the listing rules of the SIX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange.

### **Notice to Prospective Investors in the Dubai International Financial Centre ("DIFC")**

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (the "DFSA"). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt

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Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares of common stock to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares of common stock offered should conduct their own due diligence on the shares of common stock. If you do not understand the contents of this prospectus, you should consult an authorized financial advisor.

### **Notice to Prospective Investors in the United Arab Emirates**

The shares of common stock have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the DIFC) other than in compliance with the laws of the United Arab Emirates (and the DIFC) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the DIFC) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the DFSA.

### **Notice to Prospective Investors in Australia**

No placement document, prospectus, product disclosure statement, or other disclosure document has been lodged with the Australian Securities and Investments Commission in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement, or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement, or other disclosure document under the Corporations Act.

Any offer in Australia of the shares of common stock may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares of common stock without disclosure to investors under Chapter 6D of the Corporations Act.

The shares of common stock applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares of common stock must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives, and circumstances, and, if necessary, seek expert advice on those matters.

## LEGAL MATTERS

The validity of our common stock offered by this prospectus will be passed upon for Kodiak Gas Services, Inc., by Kirkland & Ellis LLP, Houston, Texas. The validity of the common stock offered hereby will be passed upon for the underwriters by Latham & Watkins LLP, Houston, Texas.

## EXPERTS

The consolidated financial statements of Kodiak Gas Services, Inc. as of and for the years ended December 31, 2022 and 2021, included in this Prospectus and in the Registration Statement have been so included in reliance on the report of BDO USA, LLP, an independent registered public accounting firm, appearing elsewhere herein and in the Registration Statement, given on the authority of said firm as experts in auditing and accounting.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 (including the exhibits, schedules and amendments thereto) under the Securities Act, with respect to the shares of our common stock offered hereby. This prospectus does not contain all of the information set forth in the registration statement and the exhibits and schedules thereto. For further information with respect to us and the common stock offered hereby, we refer you to the registration statement and the exhibits and schedules filed therewith. Statements contained in this prospectus as to the contents of any contract, agreement or any other document are summaries of the material terms of this contract, agreement or other document. With respect to each of these contracts, agreements or other documents filed as an exhibit to the registration statement, reference is made to the exhibits for a more complete description of the matter involved. The SEC maintains a website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the SEC's website is <http://www.sec.gov>.

After we have completed this offering, we will file annual, quarterly and current reports, proxy statements and other information with the SEC. We maintain a website at <http://www.kodiakgas.com>. and we expect to make our periodic reports and other information filed with or furnished to the SEC available, free of charge, through our website, as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on our website or any other website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus. We will provide electronic or paper copies of our filings free of charge upon request.

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**Report of Independent Registered Public Accounting Firm**

Shareholders and Board of Directors  
Kodiak Gas Services, Inc.  
Montgomery, Texas

**Opinion on the Consolidated Financial Statements**

We have audited the accompanying consolidated balance sheets of Kodiak Gas Services, Inc. and subsidiary (the “Company”) as of December 31, 2022 and 2021, the related consolidated statements of operations, stockholders’ equity, and cash flows for the years then ended, and the related notes (collectively referred to as the consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, LLP

We have served as the Company’s auditor since 2020.

Houston, Texas

March 6, 2023

**KODIAK GAS SERVICES, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
*(in thousands, except share data)*

	As of December 31,	
	2022	2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 20,431	\$ 28,795
Accounts receivable, net	97,551	80,749
Inventories, net	72,155	48,353
Fair value of derivative instruments	823	—
Contract assets	3,555	—
Prepaid expenses and other current assets	9,520	6,251
<b>Total current assets</b>	<b>204,035</b>	<b>164,148</b>
Property, plant and equipment, net	2,488,682	2,399,614
Operating lease right-of-use assets, net	9,827	—
Goodwill	305,553	305,553
Identifiable intangible assets, net	132,362	141,835
Fair value of derivative instruments	64,517	—
Other assets	564	449
<b>Total assets</b>	<b>\$ 3,205,540</b>	<b>\$ 3,011,599</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 37,992	\$ 37,593
Accrued liabilities	93,873	54,866
Contract liabilities	57,109	51,204
Fair value of derivative instruments	—	398
<b>Total current liabilities</b>	<b>188,974</b>	<b>144,061</b>
Long-term debt, net of unamortized debt issuance cost	2,720,019	1,845,122
Operating lease liabilities	6,754	—
Fair value of derivative instruments	—	21,625
Deferred tax liabilities	57,155	29,639
Other liabilities	3,545	11,081
<b>Total liabilities</b>	<b>2,976,447</b>	<b>2,051,528</b>
Commitments and contingencies (Note 10)		
Stockholders' Equity:		
Common shares, \$ 0.01 par value; 1,000 common shares authorized, 100 common shares issued and outstanding as of December 31, 2022 and 2021	1	1
Additional paid-in capital	33,778	871,992
Retained earnings	195,314	88,078
<b>Total stockholders' equity</b>	<b>229,093</b>	<b>960,071</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 3,205,540</b>	<b>\$ 3,011,599</b>

*See accompanying notes to the consolidated financial statements.*

**KODIAK GAS SERVICES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(in thousands, except share data)*

	<b>For Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Revenues:</b>		
Compression Operations	\$ 654,957	\$ 583,070
Other Services	52,956	23,305
Total revenues	707,913	606,375
<b>Operating expenses:</b>		
Cost of operations (exclusive of depreciation and amortization shown below):		
Compression Operations	225,715	192,813
Other Services	41,636	17,364
Depreciation and amortization	174,463	160,045
Selling, general and administrative expenses	44,882	37,665
Long-lived asset impairment	—	9,107
(Gain) loss on sale of fixed assets	(874)	426
Total operating expenses	485,822	417,420
Income from operations	222,091	188,955
<b>Other income (expenses):</b>		
Interest expense, net	(170,114)	(107,293)
Unrealized gain on derivatives	87,363	40,827
Other income (expense)	17	(99)
Total other expenses	(82,734)	(66,565)
Income before income taxes	139,357	122,390
Income tax expense (benefit)	33,092	(58,573)
Net income	<u>\$ 106,265</u>	<u>\$ 180,963</u>
<b>Earnings per share:</b>		
Basic and diluted earnings per share	\$ 1,062,650	\$ 1,809,630
Weighted-average shares outstanding - basic and diluted	100	100

*See accompanying notes to the consolidated financial statements.*

**KODIAK GAS SERVICES, INC.**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
*(in thousands, except share data)*

	Common Shares		Additional Paid- In Capital	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount			
<b>Balance, January 1, 2021</b>	100	\$ 1	\$ 848,262	\$ (92,977)	\$ 755,286
Contribution from parent	—	—	24,000	—	24,000
Equity compensation	—	—	(270)	1,224	954
Distribution to parent	—	—	—	(1,132)	(1,132)
Net income	—	—	—	180,963	180,963
<b>Balance, December 31, 2021</b>	100	1	871,992	88,078	960,071
Equity compensation	—	—	(214)	971	757
Distribution to parent	—	—	(838,000)	—	(838,000)
Net income	—	—	—	106,265	106,265
<b>Balance, December 31, 2022</b>	100	\$ 1	\$ 33,778	\$ 195,314	\$ 229,093

*See accompanying notes to the consolidated financial statements.*

**KODIAK GAS SERVICES, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
*(in thousands)*

	<b>For Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 106,265	\$ 180,963
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	174,463	160,045
Stock-based compensation expense	971	1,224
Long-lived asset impairment	—	9,107
Amortization of debt issuance costs	13,727	6,944
Non-cash lease expense	2,817	—
Provision for bad debt	86	(538)
Inventory reserve	500	—
(Gain) loss on sale of fixed assets	(874)	426
Unrealized gain on derivatives	(87,363)	(40,827)
Deferred tax provision (benefit)	27,301	(60,972)
Changes in operating assets and liabilities:		
Accounts receivable, net	(16,887)	(14,936)
Inventories	(24,302)	(2,969)
Contract assets	(3,555)	—
Prepaid expenses and other current assets	(3,269)	1,399
Accounts payable	(1,518)	(2,776)
Accrued liabilities	25,579	5,240
Contract liabilities	5,905	7,648
Net cash provided by operating activities	<u>219,846</u>	<u>249,978</u>
<b>Cash flows from investing activities:</b>		
Purchase of capital assets	(259,349)	(201,934)
Proceeds from sale of capital assets	8,082	13
Investment in fund	(102)	(36)
Other	(13)	(77)
Net cash used in investing activities	<u>(251,382)</u>	<u>(202,034)</u>
<b>Cash flows from financing activities:</b>		
Borrowings on debt instruments	1,613,886	564,109
Payments on debt instruments	(724,895)	(629,346)
Payment of debt issuance cost	(27,819)	(885)
Contribution from parent	—	24,000
Distribution to parent	(838,000)	(1,132)
Net cash provided by (used in) financing activities	<u>23,172</u>	<u>(43,254)</u>
Net (decrease) increase in cash and cash equivalents	(8,364)	4,690
Cash and cash equivalents - beginning of year	28,795	24,105
Cash and cash equivalents - end of year	<u>\$ 20,431</u>	<u>\$ 28,795</u>
<b>Supplemental cash disclosures:</b>		
Cash paid for interest	\$ 147,513	\$ 97,234
Cash paid for taxes	\$ 2,177	\$ 1,850
<b>Supplemental disclosure of non-cash investing activities:</b>		
Non-cash accrued capital expenditures	\$ (1,918)	\$ (6,961)

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. Organization and Description of Business**

Kodiak Gas Services, Inc. (the “Company”, “Kodiak” or “KGS”) began operations in 2011 as Kodiak Gas Services, LLC. Shortly after commencing operations, the Company acquired all the assets and liabilities of KGS Investments, Inc. On February 8, 2019, Kodiak was acquired by EQT Partners through Frontier Acquisition I, Inc. and Frontier Acquisition II, Inc. (collectively, “Frontier”). On October 24, 2019, Kodiak acquired Pegasus Optimization Managers, LLC (“Pegasus”), a provider of natural gas compression operations. Kodiak’s key areas of operation are located in the Permian Basin and Eagle Ford Shale with other areas of operation in the Powder River Basin, Mid-Continent Region, DJ Basin, Appalachian Basin, Barnett Shale / East Texas Region and Black Warrior Basin.

We are an operator of contract compression infrastructure in the U.S. We operate our compression units under, fixed-revenue contracts with upstream and midstream customers. We manage our business through two operating segments: Compression Operations and Other Services. Compression Operations consists of operating Company- owned and customer-owned compression infrastructure for our customers to enable the production and gathering and transportation of natural gas and oil. Other Services consists of station construction, maintenance and overhaul, and other ancillary time and material-based offerings.

See Note 16 (“Segments”) to our Consolidated Financial Statements.

**2. Summary of Significant Accounting Policies**

***Basis of Presentation and Consolidation***

The accompanying consolidated financial statements of the Company have been prepared on the accrual basis using principles generally accepted in the United States of America (“U.S. GAAP”) and pursuant to the rules and regulations of the SEC. These consolidated financial statements include the accounts of Kodiak Gas Services, Inc. and its wholly owned subsidiaries. All significant intercompany transactions and balances have been eliminated upon consolidation.

***Segment Information***

The Company operates in two business segments. Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker, who is the Company’s chief executive officer (“CEO”), in deciding how to allocate resources and assessing performance. The Company has identified the operating segments as Compression Operations and Other Services. The Company’s chief operating decision maker allocates resources and assesses performance of the two operating segments based upon discrete financial information at the operating segment level.

The Company manages its business through two operating segments: Compression Operations and Other Services. Compression Operations consists of operating Company-owned and customer-owned compression infrastructure for its customers, pursuant to fixed-revenue contracts to enable the production, gathering and transportation of natural gas and oil. Other Services consists of a full range of contract services to support the needs of our customers including station construction, maintenance and overhaul, and other ancillary time and material-based offerings. See Note 16 (“Segments”) to our Consolidated Financial Statements.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions used in preparing the accompanying consolidated financial statements. Significant estimates and assumptions that impact these consolidated financial statements relate to, among other things, allowance for doubtful accounts, estimates of net realizable value on excess obsolete inventory, capitalized installation costs and commissioning costs, fair value of derivative instruments, estimates of cost to complete on revenue contracts with customers, and useful lives of property, plant and equipment.

***Cash and Cash Equivalents***

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

***Revenue Recognition***

The Company recognizes revenue when obligations under the terms of a contract with customer are satisfied. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring products or providing services to our customers. See Note 3 (“Revenue Recognition”) for more detailed information about revenue recognition for the years ended December 31, 2022 and 2021.

***Accounts Receivable and Allowance for Doubtful Accounts***

Accounts receivables are recorded at their outstanding balances, net of any allowances for doubtful accounts, if determined necessary. In determining the allowance for doubtful accounts, the Company considers the length of time receivable balances have been outstanding, current economic conditions, and customer-specific information. Accounts deemed uncollectible are applied against the allowance for doubtful accounts. Recoveries of accounts receivable previously written off are recorded when received. There was \$0.9 million and \$1.0 million in allowance for doubtful accounts at December 31, 2022 and 2021, respectively.

***Inventories***

Inventories consist of non-serialized spare parts, fluids and other supplies consumed in the performance of revenue-generating services and parts and supplies inventory for the repair and maintenance of the Company’s equipment fleet. Serialized parts consist of components inventory to support the Company’s equipment fleet. Inventories are measured at the lower of cost or net realizable value. Cost is determined using weighted-average cost. The Company recognizes decreases in inventory values for certain items through reductions of carrying values to lower of cost or net realizable value on an as needed basis. Periodically, obsolescence reviews are performed on slow-moving inventories and reserves are established based on estimated shrinkage between physical inventory counts, changes in customer demand, technological developments, or other economic factors. These reserves are included within non-serialized parts.

Inventories consist of the following (*in thousands*):

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
Non-serialized parts	\$ 61,082	\$ 44,308
Serialized parts	11,073	4,045
Total inventories	<u>\$ 72,155</u>	<u>\$ 48,353</u>

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Property, Plant and Equipment, Net***

Property, plant and equipment acquired in connection with business combinations are recorded at fair value as of the date of acquisition. All other additions of property, plant and equipment, which primarily consist of compression equipment, are recorded at cost. The Company depreciates the cost of property, plant and equipment using the straight-line method over the estimated useful lives. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss are reflected in the accompanying consolidated statements of operations for the period. The cost of additions and improvements that extend the useful lives of property, plant and equipment beyond its original life are capitalized. Routine maintenance and repair items are charged to current operations.

The Company uses estimates to capitalize installation costs associated with the transport, installation, and commissioning of each compressor unit. Costs associated with these estimates include all direct costs required to get the unit in service for its intended use such as labor, parts, materials, and any other services that are unique in nature to each individual compressor unit. Capitalized installation costs are depreciated over the life of the agreement with the customer.

***Impairment of Long-Lived Assets***

Long-lived assets, including property, plant, and equipment, and other finite-lived identifiable intangible assets, are reviewed for impairment whenever events or changes in circumstances, including the removal of compressors from active fleet, indicate that the carrying amount of an asset may not be recoverable. Such events and changes may include significant changes in performance relative to expected operating results, significant changes in asset use, significant negative industry or economic trends, and changes in the Company's business strategy, among others. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to estimated future undiscounted net cash flows expected to be generated by the asset. Impairment losses are recognized in the period in which the impairment occurs and represent the excess of the asset carrying value over its estimated future undiscounted net cash flows. No impairment was recorded for the year ended December 31, 2022. In December 2021, certain compression equipment was identified as not being part of the Company's ongoing operations. As such, a recoverability assessment was performed, and fair value was assessed using a combination of a market and cost approach. Based on the assessed fair value an impairment expense of \$9.1 million was recorded for the year end December 31, 2021. For the year ended December 31, 2022, no triggering event for any long-lived assets was identified.

***Leases***

As a result of the Company's adoption of ASC 842 Leases on January 1, 2022, the Company recorded an operating lease right-of-use ("ROU") asset and an operating lease liability on the consolidated balance sheet. Under previous guidance, operating leases were not recorded to the balance sheet. The Company determines if an arrangement is a lease at inception. Operating leases are included in lease right-of-use assets, and operating lease liabilities in the Company's consolidated balance sheets.

ROU lease assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. ROU lease assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the Company's leases do not provide an implicit rate, the Company uses the incremental borrowing rate based on the information available on the commencement date in determining the present value of lease payments. ROU lease assets also include any lease payments made and exclude lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over



**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

the lease term. Variable costs such as the Company's proportionate share of actual costs for utilities, common area maintenance, property taxes and insurance are not included in the lease liability and are recognized in the period in which they are incurred.

For short-term leases (leases that have terms of twelve months or less upon commencement), lease payments are recognized on a straight-line basis and no ROU assets are recorded. For certain equipment leases, such as office equipment, we have elected to account for the lease and non-lease components as a single lease component. The Company has elected to apply the bright line thresholds as established under ASC 840 in determining the classification of leases under ASC 842 as an accounting policy election.

As it relates to the Company's compression operations service agreements, in which the Company is a lessor, the services nonlease component is predominant over the compression package lease component and therefore recognition of these agreements will continue to follow the ASC 606 Revenue guidance. Under previous guidance, no separation of lease and nonlease component is required, for either lessee or lessor.

***Identifiable Intangible Assets, Net***

Identifiable intangible assets acquired in connection with business combinations are recorded at fair value as of the date of acquisition. Other intangible assets are recorded at cost. The cost of identifiable intangible assets with finite lives are amortized using the straight-line method over their estimated useful lives, which is the period over which the assets are expected to contribute directly or indirectly to future cash flows. The Company's identifiable intangible assets consist of trade name and customer relationships.

***Goodwill***

Goodwill represents the excess of acquisition consideration paid over the fair value of net assets and liabilities acquired. Goodwill is not amortized, but rather is reviewed for impairment on an annual basis (or more frequently if impairment indicators exist). The Company tests goodwill at the reporting unit level, which is the level for which there are distinct cash flows, products, capabilities and available financial information by first performing a qualitative assessment to determine if it is more likely than not that the carrying value of the entity exceeds its fair value. As of December 31, 2022 and 2021, the Company has two reporting units, however the entire goodwill balance was allocated to the Company's Compression Operations reporting unit.

The Company conducts an annual impairment test during the fourth quarter or more frequently if there are indicators that goodwill may be impaired. The Company first performs a qualitative assessment, and if based on this assessment, it may be more likely than not that goodwill may be impaired then the Company must determine the fair value of the reporting unit and compare it to the reporting unit's carrying value. Factors utilized in the qualitative assessment include macroeconomic conditions, industry and market considerations, cost factors, overall financial performance and Company specific events. Fair value of the reporting unit is determined based on the present value of estimated cash flows using available information regarding expected cash flows of each reporting unit, discount rates and the expected long-term cash flow growth rates. If the fair value of the reporting unit exceeds the carrying value, goodwill is not impaired, and no further testing is performed. The Company records impairment when the carrying value exceeds the fair value and to the extent there is remaining goodwill in the reporting unit under a one-step model.

The Company performed a qualitative test and noted that there were no events or circumstances occurring that indicated that the fair value of the Compression Operations reporting unit may be below its carrying amount. No goodwill impairment was recorded for the years ended December 31, 2022 and 2021.

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Application of the goodwill impairment test requires judgments, including a qualitative assessment to determine whether there are any impairment indicators, and determining the fair value of the reporting unit if an impairment indicator is present. A number of significant assumptions and estimates are involved in the application of the income approach to forecast future cash flows, including revenue and operating income growth rates, discount rates and other factors. While we believe that our estimates of current value are reasonable, if actual results differ from the estimates and judgments used including such items as future cash flows and the volatility inherent in markets which we serve, impairment charges against the carrying value of those assets could be required in the future.

***Earnings Per Share***

Basic net income per share is computed by dividing net income attributable to common shareholders by the weighted-average number of common stock outstanding. Diluted net income per share is computed by dividing net income attributable to common stockholders by the Basic Weighted-Average Shares Outstanding plus all potential dilutive common shares outstanding during the period. However, the Company does not have any dilutive common shares outstanding during the years ended December 31, 2022 and 2021, respectively.

***Deferred Financing Costs***

Financing costs incurred related to debt issuance are deferred and amortized over the term of the related debt using a method that approximates the effective interest rate method. Unamortized debt issuance costs are recorded as a direct deduction from the carrying amount of the related loans on the consolidated balance sheets. Costs incurred in connection with revolving credit facilities are capitalized and amortized over the term of the loan.

There were unamortized debt issuance costs of \$34.2 million and \$20.1 million at December 31, 2022 and 2021, respectively, which are being amortized over the terms of the ABL Facility and Term Loan. Amortization expense related to these costs of \$13.7 million and \$6.9 million for the years ended December 31, 2022 and 2021, respectively, are included in interest expense in the accompanying consolidated statements of operations.

***Derivative Instruments***

In accordance with ASC Topic 815, *Derivatives and Hedging* (“ASC Topic 815”), the Company recognizes derivative instruments on the consolidated balance sheets at fair value, with classification as current or non-current based upon the maturity of the derivative instrument. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative and whether the Company has elected to designate the derivative as being in a hedging relationship. Currently, the Company’s interest rate swaps and interest rate collars are intended to economically hedge certain risks (“economic hedges”). The Company has elected not to apply hedge accounting to these instruments under ASC Topic 815; accordingly, all gains and losses on derivative instruments have been recognized in the accompanying consolidated statements of operations as unrealized gain (loss) on derivatives.

***Income Taxes***

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and deferred tax liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, the Company determines deferred tax assets and deferred tax liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

effect of a change in tax rates on deferred tax assets and deferred tax liabilities is recognized in income in the period that includes the enactment date. Management is not aware of any changes in tax laws or rates that would have a material impact on our financial position, results of operations or cash flows.

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, carryback potential if permitted under the tax law, and results of recent operations. If the Company determines that it would be able to realize its deferred tax assets in the future, in excess of their net recorded amount, the Company would make an adjustment to the valuation allowance against deferred tax assets, which would reduce the provision for income taxes.

The Company applies a “more-likely-than-not” recognition threshold for all tax uncertainties. This approach only allows the recognition of those tax benefits that have a greater than 50% percent likelihood of being sustained upon examination by the taxing authorities. As a result of implementing this approach, the Company has reviewed its tax positions and determined there were no outstanding or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities. The Company believes that there are no tax positions taken or expected to be taken that would significantly increase or decrease unrecognized tax benefits within the next twelve months. The Company will recognize interest and penalties related to uncertain tax positions in income tax expense. None of the Company’s federal or state tax income tax returns are currently under examination by the Internal Revenue Service (“IRS”) or state authorities. However, fiscal years 2018 and later remain subject to examination by the IRS and respective states in the U.S.

On March 27, 2020, former President Trump signed into law the “Coronavirus Aid, Relief, and Economic Security (“CARES Act”). The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations, increased limitations on qualified charitable contributions, and technical corrections to tax depreciation methods for qualified improvement property. It also appropriated funds for the Small Business Administration (“SBA”) Paycheck Protection Program loans that are forgivable in certain situations to promote continued employment, as well as Economic Injury Disaster Loans to provide liquidity to small businesses harmed by COVID-19.

The Company examined the impact that the CARES Act may have on its business. The Company qualified for and put into practice deferment of the employer payable side of social security payments under the SBA Paycheck Protection Program totaling \$1.7 million classified in accrued liabilities as of December 31, 2021. During 2022, the Company paid the outstanding amount of social security payments, presented on the consolidated balance sheets as accrued liabilities. The Company is unable to determine the impact future relief legislation will have on its financial condition, results of operation, or liquidity.

On August 16, 2022, the Inflation Reduction Act of 2022 (“IRA”) was enacted into law. The IRA contains significant tax law changes, including a corporate alternative minimum tax (“CAMT”) of 15% on adjusted financial statement income for applicable corporations, and a 1% excise tax on stock repurchases after December 31, 2022. The IRA also extends certain federal tax credits and creates new tax credits to promote sustainability initiatives. The Company examined the IRA and determined that it did not have a material impact on the consolidated financial statements. The Company will continue to monitor this legislation as additional guidance is issued by the U.S. Treasury Department.

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Fair Value Measurements***

The Company uses any of three valuation approaches to measure fair value: the market approach, the income approach, and the cost approach in determining the appropriate valuation methodologies based on the nature of the asset or liability being measured and the reliability of the inputs used in arriving at fair value.

The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, derivative instruments and long-term debt. The carrying amounts of cash and cash equivalents, accounts receivable, accrued liabilities, and accounts payable are representative of their respective fair values due to the short-term maturity of these instruments. The fair value of variable rate long-term debt is based upon the current market rates for debt with similar credit risk and maturity which approximates fair value. The Company records derivative instruments at fair value using level 2 inputs of the fair value hierarchy. The interest rate swaps and interest rate collar are valued using a discounted cash flow analysis on the expected cash flows of each derivative using observable inputs including interest rate curves and credit spreads. See Note 8 ("Derivative Instruments") for more details.

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. These fair value measurements incorporate nonperformance risk (i.e., the risk that an obligation will not be fulfilled) and credit risk.

The Company follows the provisions of ASC 820, *Fair Value Measurements* ("ASC 820") for non-financial assets and liabilities measured on a non-recurring basis such as on a potential impairment loss related to goodwill and long-lived assets and assets and liabilities acquired in a business combination.

The inputs used in applying valuation techniques include assumptions that market participants would use in pricing the asset or liability (i.e., assumptions about risk). Inputs may be observable or unobservable. The Company uses observable inputs in the Company's valuation techniques and classifies those inputs in accordance with the fair value hierarchy established by applicable accounting guidance, which prioritizes those inputs. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

The three levels of the valuation hierarchy are defined as follows:

- Level 1 – Observable inputs such as quoted prices in active markets at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Other inputs that are observable directly or indirectly such as quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 – Unobservable inputs for which there is little or no market data and which the Company makes its own assumptions about how market participants would price the assets and liabilities.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The fair value of debt and contingent consideration are considered Level 3 measurements. These fair value measurements are based on unobservable inputs. Debt includes the Asset Based Lending (ABL) facility and the Term Loan. The fair value estimate reflects the contractual terms of the purchase agreement (e.g., potential

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

payment amounts, length of measurement periods, manner of calculating any amounts due) and utilizes assumptions with regard to future cash flows, probabilities of achieving such future cash flows and a discount rate. Depending on the contractual terms of the purchase agreement, the probability of achieving future cash flows of earnings generally represents the only significant unobservable input. The contingent consideration liability is measured at fair value each reporting period and changes in estimates of fair value are recognized in earnings. See fair value tables below (in thousands):

	As of December 31, 2022			Total
	Level 1	Level 2	Level 3	
Debt	\$ —	\$ —	\$2,720,019	\$2,720,019
Contingent Consideration	—	—	3,700	3,700
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$2,723,719</b>	<b>\$2,723,719</b>

	As of December 31, 2021			Total
	Level 1	Level 2	Level 3	
Debt	\$ —	\$ —	\$1,845,122	\$1,845,122
Contingent Consideration	—	—	3,700	3,700
<b>Total</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$1,848,822</b>	<b>\$1,848,822</b>

**Concentrations of Credit Risk**

The Company's assets that are potentially subject to concentrations of credit risk are cash and cash equivalents and trade accounts receivable. Cash balances are maintained in financial institutions which at times exceed federally insured limits. The Company monitors the financial condition of the financial institutions in which accounts are maintained and has not experienced any losses in such accounts. The accounts receivable of the Company are spread over a number of customers, a majority of which are operators and suppliers to the natural gas and oil industries.

Major customers are defined as those individually comprising more than 10% of our revenues. For the year ended December 31, 2022, one customer comprised 13.0% of total revenues and all of these revenues were related to the Compression Operations segment. For the year ended December 31, 2021, two customers comprised 12.0% of total revenues each, and all of these revenues were related to the Compression Operations segment.

**Recently Adopted Accounting Pronouncements**

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, Leases (Topic 842) ("ASC 842 Leases"), which requires entities to recognize lease assets and liabilities on the balance sheet and disclose key information about leasing arrangements. ASC 842 Leases was subsequently amended by ASU 2018-11, *Codification Improvements to Topic 842, Leases*, which provides entities with an additional (and optional) transition method to adopt the new leases standard (the "Comparatives Under 840 Option").

The Company adopted these lease accounting standards effective January 1, 2022, using the modified retrospective transition method and elected the Comparatives Under 840 Option in which prior comparative information has not been recast and continues to be reported under the accounting standards in effect for those periods. Upon adoption, the Company elected the package of practical expedients to not reassess whether

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existing contracts contained a lease, the lease classification of existing leases and initial direct cost for existing leases. In addition to the package of practical expedients, the Company elected not to capitalize amounts pertaining to leases with terms less than twelve months, to use the portfolio approach to determine discount rates, and not to separate non-lease components from lease components. Adoption of ASC 842 Leases resulted in recognition of an operating right-of-use (“ROU”) lease asset of \$11.4 million with a corresponding lease liability on the Company’s consolidated balance sheet at January 1, 2022. The Company did not recognize any finance lease ROU assets or liabilities upon adoption of ASC 842 Leases. There was no impact to the Company’s consolidated statements of operations, stockholders’ equity or cash flows upon adoption.

ASC 842 Leases also provides a practical expedient, elected by class of underlying asset, to not separate lease and nonlease components and instead account for those components as a single component if certain conditions are met. ASC 842 Leases also provides clarification for lessors on whether ASC 842 Leases or ASC Topic 606 Revenue from Contracts with Customers (“ASC 606 Revenue”) is applicable to the combined component based on determination of the predominant component. The Company concluded that for the Company’s contract compression services, in which the Company is a lessor, the services non-lease component is predominant over the natural gas compression unit lease component and therefore ongoing recognition of these agreements will continue to follow the ASC 606 Revenue guidance. The Company also elected, as a lessee, not to separate lease and nonlease components as it relates to the Company’s facility leases.

***Recently Issued Accounting Pronouncements***

In June 2016, the FASB issued ASU2016-13, Financial Instruments - Credit Losses (“Topic 326”): Measurement of Credit Losses on Financial Instruments. Topic 326 states the Company will be required to use an expected-loss model for its marketable debt securities, available-for sale, which requires that credit losses be presented as an allowance rather than as an impairment write-down. Reversals of credit losses (in situations in which the estimate of credit losses declines) is permitted in the reporting period that the change occurs. Current U.S. GAAP prohibits reflecting reversals of credit losses in current period earnings. The amendments in this update are effective for the Company for fiscal years beginning after December 15, 2022. The Company does not expect the amendments to have a material impact on its consolidated financial statements.

In March 2020, the FASB issued ASUNo. 2020-03, Codification Improvements to Financial Instruments, (“ASU 2020-03”). ASU 2020-03 improves and clarifies various financial instruments topics, including the current expected credit loss standard (“CECL”). ASU 2020-03 includes seven different issues that describe the areas of improvement and the related amendments to GAAP, intended to make the standards easier to understand and apply by eliminating inconsistencies and providing clarifications. This guidance is effective for the Company for fiscal years beginning after December 15, 2022. The Company is currently assessing the impact of this guidance on its consolidated financial statements.

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**3. Revenue Recognition**

The following table disaggregates the Company's revenue by type and timing of provision of services or transfer of goods (in thousands):

	<b>Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
Services provided over time:		
Compression Operations	\$ 646,281	\$ 573,073
Other Services	47,220	18,773
Total services provided over time	<u>693,501</u>	<u>591,846</u>
Services provided or goods transferred at a point in time:		
Compression Operations	8,663	9,997
Other Services	5,749	4,532
Total services provided or goods transferred at a point in time	<u>14,412</u>	<u>14,529</u>
Total revenue	<u>\$ 707,913</u>	<u>\$ 606,375</u>

The Company derives its revenue from contracts with customers, which comprise the following revenue streams:

***Compression Operations***

Compression Operations consists of operating Company-owned and customer-owned compression infrastructure for our customers, pursuant to fixed-revenue contracts enabling the production, gathering and transportation of natural gas and oil.

Compression Operations for Kodiak owned, as well as customer-owned, compressors are generally satisfied over time as services are rendered at selected customer locations on a monthly basis and based upon specific performance criteria identified in the applicable contract. Terms are typically one to seven years and at the end of the term, transition to a month-to-month contract if not cancelled by either party. The monthly service for each location is substantially the same service month to month and is promised consecutively over the service contract term. The progress and performance of the service are measured consistently using a straight-line, time-based method as each month passes, because the performance obligations are satisfied evenly over the contract term as the customer simultaneously receives and consumes the benefits provided by the service.

If variable consideration exists, it is allocated to the distinct monthly service within the series to which such variable consideration relates. The Company has elected to apply the invoicing practical expedient to recognize revenue for such variable consideration, as the invoice corresponds to the value transferred to the customer based on our performance completed to date.

Service revenue earned primarily on freight and crane charges that are directly reimbursable by our customers are recognized at the point in time the service is provided and control is transferred to the customer. At such time, the customer has the ability to direct the use of the benefits of such service after the performance obligation is satisfied. The amount of consideration we receive and revenue we recognize is based upon the invoice amount.

There are typically no material obligations for returns, refunds, or warranties. The Company's standard contracts do not usually include non-cash consideration.

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***Other Services***

This revenue stream relates to compressor station construction services provided to certain customers and services provided based on time, parts and/or materials with contracted customers.

For most of the Company's construction contracts, the customer contracts with the Company to provide a service of integrating a significant set of tasks and components into a single contract. Hence, the entire contract is accounted for as one performance obligation. The Company recognizes revenue over time as the Company performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For construction services, revenue is recognized using an input method. Measure of the progress towards satisfaction of the performance obligation is based on the actual amount of labor and material costs incurred. The amount of the transaction price recognized as revenue each reporting period is determined by multiplying the transaction price by the ratio of actual costs incurred to date to total estimated costs expected for the construction services. Judgment is involved in the estimation of the progress to completion. Any adjustments to the measure of the progress to completion is accounted for on a prospective basis. Changes to the scope of service is recognized as an adjustment to the transaction price in the period in which the change occurs.

Service provided based on time spent, parts and/or materials is generally short-term in nature and labor rates and parts pricing is agreed upon prior to commencing the service. The Company applies an estimated gross margin percentage, which is fixed based on historical time and materials-based service, to actual costs incurred. As revenue is recognized when time is incurred, this revenue is recognized at a point and time when the service is rendered.

***Contract Assets and Liabilities***

The Company recognizes a contract asset when the Company has the right to consideration in exchange for goods or services transferred to a customer. Contract assets are transferred to trade receivables when the rights become unconditional. The Company had contract assets of \$3.6 million as of December 31, 2022 and no contract assets as of December 31, 2021. The Company records contract liabilities (deferred revenue) when cash payments are received or due in advance of performance. The Company's deferred revenue was \$57.1 million and \$51.2 million, as of December 31, 2022 and 2021, respectively. As of January 1, 2022, the beginning balance for contract liability was \$51.2 million. During the years ended December 31, 2022 and 2021 the Company recognized \$51.2 million and \$43.6 million, respectively, of revenue that was deferred as of the prior year end.

***Performance Obligations***

As of December 31, 2022, the aggregate amount of transaction price allocated to unsatisfied performance obligations related to the Company's revenue for the Compression Operations segment is \$1,042.4 million. The Company expects to recognize these remaining performance obligations as follows (*in thousands*):

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027 and thereafter</u>	<u>Total</u>
Remaining performance obligations	\$ 471,091	\$ 289,410	\$ 153,944	\$ 82,307	\$ 45,599	\$ 1,042,351



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**4. Property, Plant and Equipment, Net**

Property, plant and equipment, net consist of the following (*in thousands*):

	As of December 31,	
	2022	2021
Compression equipment	\$ 2,973,599	\$ 2,731,638
Trailers and vehicles	7,193	6,516
Field equipment	15,501	11,417
Technology hardware and software	6,698	3,944
Leasehold improvements	1,947	1,772
Shipping containers	3,137	2,882
Furniture and fixtures	1,519	1,460
Other	981	1,541
Total property and equipment, gross	3,010,575	2,761,170
Less: accumulated depreciation	(521,893)	(361,556)
Property, plant and equipment, net	<u>\$ 2,488,682</u>	<u>\$ 2,399,614</u>

Depreciation expense was \$165.0 million and \$150.5 million for the years ended December 31, 2022 and 2021, respectively, and is recorded within depreciation and amortization on the accompanying consolidated statements of operations.

The estimated useful lives of assets are as follows:

	Estimated Useful Life
Compression equipment	15-25 years
Trailers and vehicles	5 years
Field equipment	1-5 years
Technology hardware and software	3 years
Leasehold improvements	Shorter of remaining lease term or 5 years
Shipping containers	4 years
Furniture and fixtures	7 years
Other	Shorter of remaining lease term or estimated useful life

**5. Leases**

The Company maintains operating leases, primarily related to office space, and certain corporate equipment. The Company's leases have remaining lease terms of up to 5 years, some of which include options that permit renewals for additional periods.

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**Operating Leases**

Balance sheet information related to the Company's operating leases were as follows (*in thousands*):

	<u>Classification</u>	<u>For the year ended December 31, 2022</u>
ROU assets, net	Operating lease ROU assets, net	\$ 9,827
Lease liabilities:		
Current	Accrued liabilities	\$ 3,090
Noncurrent	Operating lease liabilities	6,754
Total lease liabilities		<u>\$ 9,844</u>

The components of total lease expense are as follows (*in thousands*):

	<u>For the year ended December 31, 2022</u>
Operating lease cost	\$ 3,349
Variable lease cost	—
Short-term lease cost	337
Total lease cost	<u>\$ 3,686</u>

The short-term lease cost disclosed above reasonably reflects the Company's ongoing short-term lease commitments. These lease costs are primarily recorded within cost of operations.

Supplemental information related to the Company's operating leases were as follows:

	<u>December 31, 2022</u>
Weighted average remaining lease term ( <i>in years</i> )	3.55
Weighted average discount rate	5.25%

Supplemental cash flow information related to the Company's operating leases were as follows (*in thousands*):

	<u>For the year ended December 31, 2022</u>
Operating cash flows - cash paid for amounts included in the measurement of operating lease liabilities	\$ 3,332
Operating ROU assets obtained in exchange for new lease liabilities	\$ 71

As of December 31, 2022, the Company does not have any additional operating and finance leases that have not yet commenced.

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Maturities of operating lease liabilities, associated with ROU assets, as of December 31, 2022, were as follows *(in thousands)*:

Years ended December 31,	<u>Operating Leases</u>
2023	\$ 3,517
2024	3,119
2025	1,995
2026	1,313
2027	801
Thereafter	<u>27</u>
Total lease payments	10,772
Less: Interest	<u>(928)</u>
Total lease liabilities	<u>\$ 9,844</u>

As of December 31, 2021, future minimum rentals under the non-cancellable operating leases under the scope of ASC 840 for certain office facilities are as follows *(in thousands)*:

Years ended December 31,	<u>Operating Leases</u>
2022	\$ 3,015
2023	2,165
2024	1,878
2025	1,116
2026	965
Thereafter	<u>555</u>
Total lease payments	<u>\$ 9,694</u>

Rental expenses related to office leases amounted to \$3.6 million for the year ended December 31, 2021.

**6. Goodwill and Identifiable Intangible Assets, Net**

There were no changes in the carrying amount of goodwill during the years ended December 31, 2022 and 2021. All of the goodwill was allocated to our Compression Operations reporting unit.

The Company's identifiable intangible assets consist of the following as of December 31, 2022 and 2021 *(in thousands)*:

	<u>As of December 31, 2022</u>			<u>Remaining Weighted Average Amortization Period (years)</u>
	<u>Original Cost</u>	<u>Accumulated Amortization</u>	<u>Net Amount</u>	
Trade name	\$ 13,000	\$ (2,531)	\$ 10,469	16.1
Customer relationships	150,000	(28,107)	121,893	13.8
Total identifiable intangible assets	<u>\$ 163,000</u>	<u>\$ (30,638)</u>	<u>\$ 132,362</u>	

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	As of December 31, 2021			Remaining Weighted Average Amortization Period (years)
	Original Cost	Accumulated Amortization	Net Amount	
Trade name	\$ 13,000	\$ (1,881)	\$ 11,119	17.1
Customer relationships	150,000	(19,284)	130,716	14.8
Total identifiable intangible assets	<u>\$ 163,000</u>	<u>\$ (21,165)</u>	<u>\$ 141,835</u>	

Amortization expense was \$9.5 million for each of the years ended December 31, 2022 and 2021 and is recorded within depreciation and amortization on the consolidated statements of operations.

At December 31, 2022, the following is a summary of future minimum amortization expense for identified intangible assets *(in thousands)*:

Years ending December 31,	Amount
2023	\$ 9,474
2024	9,474
2025	9,474
2026	9,474
2027	9,474
Thereafter	84,992
Total	<u>\$ 132,362</u>

**7. Debt and Credit Facilities**

Debt consists of the following *(in thousands)*:

	As of December 31,	
	2022	2021
ABL Facility	\$ 1,754,224	\$ 1,465,234
Term Loan	1,000,000	400,000
Total debt outstanding	2,754,224	1,865,234
Less: current maturities	—	—
Less: unamortized debt issuance cost	(34,205)	(20,112)
Long-term debt, net of unamortized debt issuance cost	<u>\$ 2,720,019</u>	<u>\$ 1,845,122</u>

***ABL Facility***

As of January 1, 2021 the Company's wholly-owned subsidiary had an ABL Facility with unaffiliated secured lenders and a bank as administrative agent. During 2021, the total facility was upsized from \$1.7 billion to \$1.875 billion to increase available liquidity under the facility. New lender fees and costs totaling \$0.9 million were incurred and will be amortized over the life of the loans to interest expense. In May 2022, the Company completed a recapitalization and return of capital of \$838 million to the Parent Company primarily by increasing the borrowings from the current ABL Facility and Term Loan of which \$225 million is related to the ABL Facility.

On May 19, 2022, the Company's wholly-owned subsidiary entered into the Third Amendment to the Third Amended and Restated Credit Agreement which mainly served to amend the applicable rate from LIBOR to the Secured Overnight Financing Rate ("SOFR") and allow for the return of capital to the Parent

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Company. During 2022, the total facility was upsized from \$1.875 billion to \$2.050 billion to increase available liquidity under the facility. New lender fees and costs totaling \$13.2 million were incurred and will be amortized over the life of the loans to interest expense.

Pursuant to the ABL Credit Agreement, the Company must comply with certain restrictive covenants, including a fixed charge coverage ratio and leverage ratio. As an update to the Third Amended and Restated Credit Agreement, the financial covenant restrictions were waived for the second quarter of 2022 and the maximum leverage ratio (calculated based on the ratio of Consolidated Total Debt to Consolidated EBITDA, each as defined in the ABL Credit Agreement) was increased to 7.25x through the first quarter of 2023; 7.00x thereafter through the third quarter of 2023; 6.75x thereafter through the first quarter of 2024; and 6.50x in the second quarter of 2024 and thereafter. All loan amounts are collateralized by the assets of the Company's wholly-owned subsidiary. The Company was in compliance with all covenants as of December 31, 2022 and 2021.

The applicable interest rates as of December 31, 2022 were 9.50% (prime rate) and 7.60% (Term SOFR rate plus 0.10%) plus (3.00% spread). The applicable interest rates as of December 31, 2021 were 5.25% (prime rate) and 3.125% (LIBOR rate plus 3.00%).

The ABL Credit Agreement provides for a "revolving credit facility" that includes an arrangement, whereby, under certain events, remittances from customers are forwarded to a bank account controlled by the administrative agent and are applied to reduce borrowings under the facility. One such event occurs when availability falls below a specified threshold (i.e., the greater of \$200.0 million or 10% of the aggregate commitments at such time of event). As of December 31, 2022 and 2021, availability under the agreement was in excess of the specified threshold and as such the entire balance was classified as long-term in accordance with its maturity. As previously mentioned, the ABL Credit Agreement matures in June 2024 and the Company expects to maintain it for the term and expects to be in compliance with all covenants or event of default provisions.

***Term Loan***

As of January 1, 2021 the Company's wholly-owned subsidiary had a Term Loan Credit Agreement with unaffiliated unsecured lenders and a bank as administrative agent. In May 2022, the Company completed a recapitalization and return of capital of \$838 million to the Parent Company primarily by increasing the borrowings from the current ABL Facility and Term Loan of which \$600 million is related to the Term Loan as per the Amended and Restated Term Loan Credit Agreement entered into by the Company on May 19, 2022. As an update to the Amended and Restated Term Credit Agreement, the covenant restrictions were waived for the second quarter of 2022 and the maximum leverage ratio (calculated based on the ratio of Consolidated Total Debt to Consolidated EBITDA, each as defined in the Term Loan Credit Agreement) was increased to 7.50x through the first quarter of 2023; 7.25x thereafter through the third quarter of 2023; 7.00x thereafter through the first quarter of 2024; 6.75x thereafter through the first quarter of 2025; 6.50x thereafter through the first quarter of 2026; 6.25x thereafter through the fourth quarter of 2026; and 6.00x in the first quarter of 2027 and thereafter. Additionally, the amendment allowed for the return of capital to the Parent Company. New lender fees and costs totaling \$14.6 million were incurred for this amendment and will be amortized over the life of the loans to interest expense.

Borrowings under the Term Loan bear the following applicable rates: interest rates are based on 6.00% plus an alternate base rate and 7.00% plus an adjusted eurocurrency rate for alternate base rate ABR loans and eurocurrency loans, respectively. The interest rates were 10.67% and 7.13% as of December 31, 2022 and 2021, respectively.

The Term Loan has a maturity date of May 19, 2027, at which time all unpaid principal and interest is due. Commencing with the fiscal year ending December 31, 2023, an excess cash flow payment that would reduce the principal balance of the Term Loan is potentially due 120 days following each preceding fiscal year end. This excess cash flow payment is based the leverage ratio (calculated based on the ratio of Consolidated Total Debt to Consolidated EBITDA, each as defined in the Term Loan Credit Agreement) at year end. Based on the calculated ratio, a payment percentage is applied to the excess cash flow to determine the amount, if any, due. The Company was in compliance with all financial covenants as of December 31, 2022 and 2021.

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The ABL credit agreement and Term Loan restrict the Company's wholly-owned subsidiary's ability to: incur additional indebtedness and guarantee indebtedness; pay dividends or make other distributions or repurchase or redeem equity interests; prepay, redeem or repurchase certain debt; issue certain preferred units or similar equity securities; make loans and investments; sell, transfer or otherwise dispose of assets; incur liens; enter into transactions with affiliates; enter into agreements restricting our restricted subsidiaries' ability to pay dividends; enter into certain swap agreements; amend certain organizational documents; enter into sale and leaseback transactions; and consolidate, merge or sell all or substantially all of our assets. The restricted net assets of the wholly-owned subsidiary of the Company exceed 25% of the consolidated net assets of the Parent. See Note 18, "Parent Company Information".

As of December 31, 2022, the scheduled maturities, without consideration of potential mandatory prepayments, of the long-term debt were as follows (*in thousands*):

Years ended December 31,	<u>Amount</u>
2023	\$ —
2024	1,754,224
2025	—
2026	—
2027	1,000,000
Total	<u>\$ 2,754,224</u>

### 8. Derivative Instruments

The Company has entered into interest rate swaps exchanging variable interest rate with fixed interest rates and interest rate collars which represent a simultaneous purchase of a cap rate with the sale of a floor rate. The Company has not designated any derivative instruments as hedge for accounting purposes and does not enter into such instruments for speculative or trading purposes. The Company's cash flow is only impacted when the actual settlements under the derivative contracts result in the Company making a payment to or receiving a payment from the counterparty. Cash flows from all derivative activity for the periods presented appear in the operating section on the consolidated statements of cash flows.

As a result of the increase to the ABL Facility and Term Loan during the year ended 2022, the Company entered into additional \$975.0 million notional amounts of interest rate swaps to comply with hedging requirements set forth in the credit agreements.

The table below summarizes information related to the notional amount and maturities dates for interest rate swaps at December 31, 2022:

<u>Notional Amount</u>	<u>Maturities</u>
\$100,000,000	6/14/2023
\$100,000,000	6/4/2024
\$375,000,000	12/4/2024
\$225,000,000	12/5/2024
\$200,000,000	6/14/2025
\$175,000,000	6/14/2026
\$125,000,000	6/22/2026
\$75,000,000	5/18/2027
\$100,000,000	5/19/2027
\$200,000,000	5/29/2027

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The following table presents summarized information related to the collar agreements maturing in 2024:

	<b>Notional Amount</b>
Ceiling	\$ 200,000,000
Floor	\$ 200,000,000

The following tables set forth the Company's assets and liabilities that were measured at fair value on a recurring basis during the period, by level, within the fair value hierarchy and classification of the Company's derivative instrument not designated as hedging instruments on the accompanying consolidated balance sheets (*in thousands*):

	As of December 31, 2022			
	Level 1	Level 2	Level 3	Total
<b>Current assets:</b>				
Interest rate swaps	\$ —	\$ 823	\$ —	\$ 823
<b>Non-current assets:</b>				
Interest rate swaps	\$ —	\$ 48,955	\$ —	\$ 48,955
Interest rate collars	—	15,562	—	15,562
<b>Total</b>	\$ —	\$ 65,340	\$ —	\$ 65,340

	As of December 31, 2021			
	Level 1	Level 2	Level 3	Total
<b>Current liabilities:</b>				
Interest rate swaps	\$ —	\$ (398)	\$ —	\$ (398)
<b>Non-current liabilities:</b>				
Interest rate swaps	\$ —	\$(13,723)	\$ —	\$(13,723)
Interest rate collars	—	(7,902)	—	(7,902)
<b>Total</b>	\$ —	\$(22,023)	\$ —	\$(22,023)

The following table summarizes the effects of the Company's derivative instruments in the consolidated statements of operations (*in thousands*):

Derivative Instruments Not Designated as Hedging Instrument	Location of Gain Recognized	Years Ended December 31,	
		2022	2021
Interest rate swaps	Unrealized gain on derivatives	\$ 63,899	\$ 27,846
Interest rate collars	Unrealized gain on derivatives	23,464	12,981
<b>Total</b>		\$ 87,363	\$ 40,827

**9. Stockholders' Equity**

The Company is authorized to issue up to 1,000 shares of par value common shares. Holders of the Company's common shares are entitled to one vote for each share. As of December 31, 2022 and 2021, there were 100 shares of common shares issued and outstanding. Stockholders' of common shares are entitled to receive, in the event of a liquidation, dissolution or winding up, ratably the assets available for distribution to the stockholders after payment of all liabilities.

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***Class B and C Profits Interests***

Kodiak Holdings issued incentive awards to certain employees of Kodiak Gas Services, LLC (a wholly-owned subsidiary of the Company) in the form of Class B incentive units (“Class B Units”). The Company records a stock-based compensation expense associated with the Class B Units because of the employment relationship of the grantees with Kodiak Gas Services, LLC.

On March 6, 2019, 61,098.4 Class B Units were authorized under the Kodiak Holdings (f/k/a Frontier Topco Partnership, L.P.) 2019 Class B Unit Incentive Plan for grants to certain employees and non-employee board members. These Class B Units are intended to constitute “profits interests” for federal income tax purposes, but constitute a substantive class of equity under US GAAP. As of December 31, 2022 and 2021, there were 61,068.0 authorized Class B Units. There were 2,861.0 and 57,502.4, Class B Units granted in the year ended December 31, 2022 and 2021, respectively. Twenty-five percent (25%) of the Class B Units granted to employees excluding Board members are subject to time vesting (the “Time-Vesting Units”) and, the remaining 75% of the granted Class B Units are subject to performance-vesting on achievement of certain MOIC (Multiple on Invested Capital) performance criteria and market conditions. Time-Vesting Units vest in five equal annual installments on each of the first five anniversaries of the applicable vesting commencement date. Holders of Class B Unit are entitled to distributions on vested awards in accordance with the Kodiak Holdings distribution waterfall. Class B Units are not subject to any conversion rights other than an automatic conversion to Class C incentive units (“Class C Units”) in connection with certain terminations of employment. Each Class C Unit is eligible to receive distributions up to an amount equal to the fair market value of the corresponding converted Class B Unit on the date of conversion. As of December 31, 2022 no material conversions had occurred.

There are no performance hurdles associated with the Time-Vested Units. The fair value of each incentive award was estimated on their applicable grant date using an option pricing model. The grant date fair value of the Time-Vested Units was \$1.3 million in 2022 and \$3.1 million in 2021.

Stock compensation expense is recognized ratably over the vesting period of the awards. During 2022 and 2021, approximately \$1.0 million and \$1.2 million, respectively, in stock compensation expense was recognized in selling, general and administrative expenses related to time-based vesting of 3,279.4 and 5,689 Class B Units. As of December 31, 2022, there were 6,122.4 unvested time-based Class B Units representing \$2.2 million in unrecognized stock compensation expense.

**10. Commitments and Contingencies**

***Purchase Commitments***

Purchase commitments of \$166.9 million that primarily consist of commitments to purchase compression units are expected to be settled within the next twelve months.

***Contingent Consideration***

As part of a prior acquisition, the Company agreed on contingent consideration associated with the collectability of certain past due accounts receivable amounts of \$7.3 million from a particular customer. The agreement calls for any amount collected of the outstanding receivables balance up to 50% is due to seller and any amount over 50% of the outstanding receivable balance to be due to the Company. The Company records contingent consideration at the acquisition and end of reporting periods at fair value. During 2020, the Company wrote off an outstanding receivable balance due to the Company of \$3.7 million to bad debt and recorded \$3.7 million related to the 50% of the receivable balance due to the seller in accrued liabilities. As of December 31, 2022 and 2021, none of the outstanding receivables had been collected.



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**Sales Tax Contingency**

Beginning in October 2019 through September 2022, the Company received notices from the Texas Comptroller's office in regards to audits for periods ranging from December 2015 through October 2022. The audits pertain to whether the Company may owe sales tax on certain of their compression equipment that they had purchased during that time period. As of December 31, 2021, based on information currently available, the Company had accrued a contingent liability of approximately \$21.3 million, of which approximately \$5.2 million was reclassified from other liabilities to accrued liabilities. During the year ended December 31, 2022, based on current information the Company accrued an additional amount of approximately \$6.5 million and as of December 31, 2022, the Company had accrued a total amount of \$27.8 million for this contingent liability.

**Legal Matters**

From time to time, the Company may become involved in various legal matters. Management believes that there are no legal matters as of December 31, 2022 whose resolution could have a material adverse effect on the consolidated financial statements.

**11. Prepaid Expenses and Other Current Assets**

The prepaid expenses and other current assets consisted of the following (*in thousands*):

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
Prepaid insurance	\$3,997	\$4,104
Prepaid rent	589	606
Other	4,934	1,541
Total prepaid expenses and other current assets	<u>\$9,520</u>	<u>\$6,251</u>

**12. Accrued Liabilities**

Accrued liabilities consisted of the following (*in thousands*):

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
Sales tax liability	\$ 27,820	\$ 16,079
Accrued interest	16,347	6,237
Accrued accounts payable	14,080	6,144
Accrued taxes	9,667	4,713
Accrued bonus	7,764	7,105
Contingent consideration	3,673	3,673
Lease liabilities - current portion	3,090	—
Accrued insurance	2,231	2,354
Accrued payroll	2,744	2,253
Social security deferral	—	1,751
Other	6,457	4,557
Total accrued liabilities	<u>\$ 93,873</u>	<u>\$ 54,866</u>

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**13. Income Taxes**

The income tax expense (benefit) consisted of the following (*in thousands*):

	<b>Year Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Current income taxes:		
Federal	\$ 2,746	\$ —
State and local	3,045	2,399
Total current tax	5,791	2,399
Deferred income taxes:		
Federal	25,704	(54,210)
State and local	1,597	(6,762)
Total deferred tax	27,301	(60,972)
<b>Income tax (benefit) expense</b>	<b><u>\$ 33,092</u></b>	<b><u>\$ (58,573)</u></b>

The effective tax rates on continuing operations for the years ended December 31, 2022 and 2021, were 24.3% and (47.8)% respectively. The tax rate reconciliation is as follows (*in thousands*):

	<b>Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
Income before income taxes	\$ 139,357	\$ 122,390
Tax at Federal Statutory Rate	29,265	25,702
State, Net of Federal Benefit	3,664	(761)
Non-deductible expenses	163	93
Change in valuation allowance	—	(83,607)
<b>Income tax (benefit) expense</b>	<b><u>\$ 33,092</u></b>	<b><u>\$ (58,573)</u></b>

The Company's deferred tax position reflects the net tax effects of the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting. Significant components of the deferred tax assets and liabilities are as follows (*in thousands*):

	<b>Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
Deferred tax assets:		
Net operating losses	\$ 450,543	\$ 433,804
Interest expense carryforward	31,285	—
Other assets	—	233
Total gross deferred tax assets	481,828	434,037
Valuation allowance	—	—
<b>Total deferred tax assets, net of valuation allowance</b>	<b><u>481,828</u></b>	<b><u>434,037</u></b>
Deferred tax liabilities:		
Investment in subsidiaries	(538,983)	(463,676)
<b>Total gross deferred tax liabilities</b>	<b><u>(538,983)</u></b>	<b><u>(463,676)</u></b>
<b>Net deferred tax liabilities</b>	<b><u>\$ (57,155)</u></b>	<b><u>\$ (29,639)</u></b>

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

***Deferred Tax Assets and Liabilities***

The Company regularly reviews its deferred tax assets, including net operating loss carryovers, for recoverability, and a valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset may not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences are deductible. In assessing the need for a valuation allowance, the Company makes estimates and assumptions regarding projected future taxable income, its ability to carry back operating losses to prior periods, the reversal of deferred tax liabilities and the implementation of tax planning strategies. Based on our cumulative earnings history and forecasted future sources of taxable income, the Company determined it is more-likely-than-not to realize existing deferred tax assets and thus released its valuation allowance in 2021. As the Company reassesses these assumptions in the future, changes in forecasted taxable income may alter this expectation and may result in an increase to the valuation allowance and an increase in the effective tax rate.

The Company's ability to utilize its net operating loss carryforwards and other tax attributes to reduce future taxable income is subject to potential annual limitations under Internal Revenue Code Section 382 and Section 383 and similar state provisions. These limitations are applicable to the extent certain ownership changes by 5% shareholders and stock issuances by the Company during any three-year period result in a cumulative change of more than 50% in the beneficial ownership of the Company. The Company has assessed the provisions of Section 382 and Section 383 and determined there to be no impact to the Company's deferred tax balances.

***Federal and State Net Operating Losses***

We have gross federal tax net operating loss carryforwards of \$2.0 billion which have an indefinite life. We have gross post-apportionment state net operating loss carryforwards of \$498.0 million which have various expiration dates through 2042.

***Uncertain Tax Benefits***

The Company evaluates its tax positions and recognizes only tax benefits that, more likely than not, will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax position is measured at the largest amount of benefit that has a greater than 50% likelihood of being realized upon settlement. The Company did not have any uncertain tax benefits as of December 31, 2022 and 2021. As of December 31, 2022 and 2021, the Company had no accrued interest or penalties related to uncertain tax positions and no amounts had been recognized in the consolidated statement of operations.

As of December 31, 2022, tax years 2018 and forward are subject to examination by the tax authorities in the U.S. No income tax returns are currently under examination.

**14. Defined Contribution Plan**

The Company maintains a defined contribution savings plan for its employees. The Company contributed \$2.9 million and \$2.7 million to the plan for the years ended December 31, 2022 and 2021, respectively.

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**15. Compensation Plans*****Deferred Compensation Plan***

The Company contributes to a deferred compensation plan that was established to offer added cash basis incentives for the retention of key employees. On January 1, 2021, cash awards under the Company's 2020 Long-Term Incentive Plan (the "Plan") were granted. In addition, the Company approved an additional grant for its 2021 calendar year. The awards were granted to eligible participating employees. The vesting of the granted long term incentive awards is time-based and the only remaining condition is contingent on providing subsequent services as an employee at the time of vesting. The awards vest, and pay out in cash ratably (25%) on January 1st of each year, over a four-year period, during which time the awards are generally forfeitable in the event of employment termination other than for death, disability, or qualifying retirement. Based on an expected probability of future payments, the Company's obligations related to the plan totaled \$5.4 million and \$6.8 million as of December 31, 2022 and 2021, respectively. The non-current liability was \$4.4 million and \$5.9 million as of December 31, 2022 and 2021, respectively.

**16. Segments**

The Company manages its business through two operating segments: Compression Operations and Other Services. Compression Operations consists of operating Company and customer-owned compression infrastructure for its customers, pursuant to fixed-revenue contracts to enable the production, gathering and transportation of natural gas and oil. Other Services consists of a full range of contract services to support the needs of customers, including station construction, maintenance and overhaul, and other ancillary time and material based offerings.

The chief operating decision maker evaluates performance and allocates resources based on the gross margin of each segment, which includes revenues directly attributable to the specific segment and all costs of service directly attributable to the specific segment, which includes cost of operations and depreciation and amortization. Depreciation and amortization for the Compression Operations segment was \$174,463 and \$160,045 for the years ended December 31, 2022 and 2021, respectively. Revenue includes only sales to external customers. The following table represents financial metrics by segment (*in thousands*):

	<b>Compression Operations</b>	<b>Other Services</b>	<b>Total</b>
<b>2022</b>			
Revenue	\$ 654,957	\$ 52,956	\$ 707,913
Gross Margin	254,779	11,320	266,099
Total assets	3,184,286	21,254	3,205,540
Capital expenditures	259,349	—	259,349
<b>2021</b>			
Revenue	\$ 583,070	\$ 23,305	\$ 606,375
Gross Margin	230,212	5,941	236,153
Total assets	3,004,608	6,991	3,011,599
Capital expenditures	201,934	—	201,934

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The following table reconciles total gross margin to income before income taxes (*n thousands*):

	<b>Years Ended December 31</b>	
	<b>2022</b>	<b>2021</b>
Total Gross Margin	\$ 266,099	\$ 236,153
Selling, general and administrative expenses	(44,882)	(37,665)
Long lived asset impairment	—	(9,107)
Gain / (loss) on sale of fixed assets	874	(426)
Interest expense, net	(170,114)	(107,293)
Unrealized gain on derivatives	87,363	40,827
Other income (expense)	17	(99)
Income before income taxes	<u>\$ 139,357</u>	<u>\$ 122,390</u>

#### **17. Subsequent Events**

The Company evaluates events and transactions occurring after the consolidated balance sheet date, but before the consolidated financial statements are available to be issued. The Company has evaluated such events and transactions through March 6, 2023, the date the consolidated financial statements were available for issuance.

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**18. Parent Company Information**

**Kodiak Gas Services, Inc. (Parent Company Only)**  
**Condensed Balance Sheets**  
*(in thousands, except per share data)*

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 10,990	\$ 24,000
Total current assets	10,990	24,000
Investment in Subsidiaries	31,780	856,780
Total assets	<u>\$ 42,770</u>	<u>\$ 880,780</u>
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable	\$ 103	\$ 94
Accrued liabilities	67	34
Total liabilities	<u>170</u>	<u>128</u>
Stockholders' Equity:		
Common shares, \$ 0.01 par value; 1,000 common shares authorized, 100 common shares issued and outstanding as of December 31, 2022 and 2021	1	1
Additional paid-in capital	42,780	880,780
Accumulated deficit	(181)	(129)
Total stockholders' equity	<u>42,600</u>	<u>880,652</u>
Total liabilities and stockholders' equity	<u>\$ 42,770</u>	<u>\$ 880,780</u>

*The accompanying notes are an integral part of these condensed financial statements.*

**KODIAK GAS SERVICES, INC.  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Kodiak Gas Services, Inc. (Parent Company Only)  
Condensed Statements of Operations  
(in thousands)**

	For Years Ended December 31,	
	2022	2021
Selling, general and administrative expenses	\$ 52	\$ 73
Total operating expenses	52	73
Loss from operations	(52)	(73)
Net loss	\$ (52)	\$ (73)

*The accompanying notes are an integral part of these condensed financial statements.*

**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Kodiak Gas Services, Inc. (Parent Company Only)**  
**Condensed Statements of Cash Flows**  
**(in thousands)**

	<b>For Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (52)	\$ (73)
Changes in operating assets and liabilities		
Accrued liabilities	9	34
Accounts payable	33	39
Net cash used in operating activities	(10)	—
<b>Cash flows from investing activities:</b>		
Proceeds from investment in subsidiaries	825,000	—
Net cash provided by investment activities	825,000	—
<b>Cash flows from financing activities:</b>		
Contribution from parent	—	24,000
Distribution to parent	(838,000)	—
Net cash (used in) provided by financing activities	(838,000)	24,000
Net (decrease) increase in cash and cash equivalents	(13,010)	24,000
Cash and cash equivalents - beginning of year	24,000	—
Cash and cash equivalents - end of year	\$ 10,990	\$ 24,000

*The accompanying notes are an integral part of these condensed financial statements.*



**KODIAK GAS SERVICES, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Basis of Presentation**

These condensed financial statements of Kodiak Gas Services, Inc. (the “Company”, “Kodiak” or “KGS”) (Parent Company Only) have been prepared in accordance with Rule 12-04 of Regulation S-X, as the restricted net assets of the subsidiaries of the Parent Company exceed 25% of the consolidated net assets of the Parent Company as stipulated by Rule 5-04, Section I from Regulation S-X. The ability of the Parent Company’s operating subsidiaries to pay dividends is restricted due to the terms of the subsidiaries’ Term Loan Agreement as defined in Note 7, “Debt and Credit Facilities,” to the consolidated financial statements.

These condensed Parent Company Only financial statements have been prepared using the same accounting principles and policies described in the notes to the consolidated financial statements. These condensed financial statements should be read in conjunction with the consolidated financial statements and related notes thereto.

In May 2022, the Company completed a return of capital of \$838 million to the Parent Company. The Parent Company contributed \$24 million to the Company in 2021.

**Dividends Paid**

No cash dividends were paid for the years ended December 31, 2022 and 2021.

Shares



## Kodiak Gas Services, Inc.

Common Stock

**Goldman Sachs & Co. LLC**

**J.P. Morgan**

**Barclays**

**BofA Securities**

**Raymond James**

**RBC Capital  
Markets**

**Stifel**

**Truist Securities**

**TPH&Co.**

**Comerica Securities**

**Fifth Third Securities**

**Regions Securities LLC**

**Texas Capital Securities**

**AmeriVet Securities**

**Guzman & Company**

**R. Seelaus & Co., LLC**

**Siebert Williams Shank**

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Through and including (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This requirement is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

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**PART II**

**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 13. Other Expenses of Issuance and Distribution**

The following table sets forth an itemized statement of the amounts of all expenses (excluding underwriting discounts and commissions) payable by us in connection with the registration of the common stock offered hereby. With the exception of the SEC Registration Fee, FINRA Filing Fee and NYSE listing fee, the amounts set forth below are estimates.

SEC Registration Fee	*
FINRA Filing Fee	*
NYSE listing fee	*
Accountants' fees and expenses	*
Legal fees and expenses	*
Printing and engraving expenses	*
Transfer agent and registrar fees	*
Miscellaneous	*
Total	*

\* To be filed by amendment

**Item 14. Indemnification of Directors and Officers**

Section 145 of the DGCL provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement in connection with specified actions, suits and proceedings whether civil, criminal, administrative, or investigative, other than a derivative action by or in the right of the corporation, if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe their conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification extends only to expenses, including attorneys' fees, incurred in connection with the defense or settlement of such action and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's certificate of incorporation, bylaws, disinterested director vote, stockholder vote, agreement or otherwise.

Our charter will provide that our directors and officers will not be liable to the Company or its stockholders for monetary damages to the fullest extent permitted by the DGCL. Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. In addition, if the DGCL is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director or officer of the Company, will be limited to the fullest extent permitted by the amended DGCL. Our charter and bylaws will provide that the Company will indemnify, and advance expenses to, any officer or director to the fullest extent authorized by the DGCL.

We expect to obtain directors' and officers' insurance to cover our directors, officers and some of our employees for certain liabilities. In addition, we expect to enter into indemnification agreements with our current and future directors and officers containing provisions that are in some respects broader than the specific indemnification provisions contained in the DGCL. The indemnification agreements will require us, among other things, to

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indemnify our directors and officers against certain liabilities that may arise by reason of their status or service as directors or officers and to advance their expenses incurred as a result of any proceeding against them as to which they could be indemnified.

The Underwriting Agreement (Exhibit 1.1 hereto) provides for indemnification by the underwriters of the registrant and its executive officers and directors, and by the registrant of the underwriters, for certain liabilities, including liabilities arising under the Securities Act.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

### **Item 15. Recent Sales of Unregistered Securities.**

None.

### **Item 16. Exhibits and Financial Statement Schedules**

(a) Exhibits

#### **Exhibit Index**

<u>Exhibit number</u>	<u>Description</u>
1.1*	<a href="#"><u>Form of Underwriting Agreement</u></a>
3.1*	<a href="#"><u>Certificate of Incorporation of Kodiak Gas Services, Inc. (f/k/a Frontier TopCo, Inc.)</u></a>
3.2*	<a href="#"><u>Certificate of Amendment to Certificate of Incorporation of Kodiak Gas Services, Inc. (f/k/a Frontier TopCo, Inc.)</u></a>
3.3*	<a href="#"><u>Bylaws of Kodiak Gas Services, Inc. (f/k/a Frontier TopCo, Inc.)</u></a>
3.4*	<a href="#"><u>Form of Amended and Restated Certificate of Incorporation of Kodiak Gas Services, Inc., to be in effect immediately prior to the consummation of this offering</u></a>
3.5*	<a href="#"><u>Form of Amended and Restated Bylaws of Kodiak Gas Services, Inc., to be in effect immediately prior to the consummation of this offering</u></a>
4.1*	<a href="#"><u>Form of Stockholders' Agreement, by and among Kodiak Gas Services, Inc., Kodiak Holdings and the other parties thereto</u></a>
4.2*	<a href="#"><u>Form of Registration Rights Agreement by and among Kodiak Gas Services, Inc., Kodiak Holdings and the other parties thereto</u></a>
5.1*	<a href="#"><u>Form of Opinion of Kirkland &amp; Ellis LLP</u></a>
10.1*^	<a href="#"><u>Fourth Amended and Restated Credit Agreement, dated as of March 22, 2023, among Frontier Intermediate Holding, LLC, Kodiak Gas Services, LLC, the other obligors party thereto, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent</u></a>
10.2*†	<a href="#"><u>Kodiak Holdings 2019 Class B Unit Incentive Plan</u></a>
10.3*†##^	<a href="#"><u>Form of Incentive Unit Award Agreement (Officers) under Kodiak Holdings 2019 Incentive Plan</u></a>
10.4*†##^	<a href="#"><u>Form of Incentive Unit Award Agreement (Directors) under Kodiak Holdings 2019 Incentive Plan</u></a>

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<u>Exhibit number</u>	<u>Description</u>
10.5*†	<a href="#">Form of 2023 Omnibus Incentive Plan of Kodiak Gas Services, Inc.</a>
10.6*	<a href="#">Form of Indemnification Agreement between Kodiak Gas Services, Inc. and each of the directors and officers thereof</a>
10.7*†^	<a href="#">Employment Agreement by and between Kodiak Holdings and Mickey McKee</a>
10.8*†^	<a href="#">Employment Agreement by and between Kodiak Holdings and Ewan Hamilton</a>
10.9*†^	<a href="#">Employment Agreement by and between Kodiak Holdings and Chad Lenamon</a>
21.1*	<a href="#">List of Subsidiaries</a>
23.1*	<a href="#">Consent of BDO USA LLP</a>
23.3*	Form of Consent of Kirkland & Ellis LLP (contained in <a href="#">Exhibit 5.1</a> )
24.1*	<a href="#">Powers of Attorney (included on the signature page of this Registration Statement)</a>
99.1*	<a href="#">Consent of Mickey McKee to be listed as a Director Nominee</a>
99.2*	<a href="#">Consent of Randall Hogan to be listed as a Director Nominee</a>
99.3*	<a href="#">Consent of Terry Bonno to be listed as a Director Nominee</a>
99.4*	<a href="#">Consent of Peggy Montana to be listed as a Director Nominee</a>
99.5*	<a href="#">Consent of Jon-Al Duplantier to be listed as a Director Nominee</a>
99.6*	<a href="#">Consent of Chris Drumgoole to be listed as a Director Nominee</a>
99.7*	<a href="#">Consent of Gretchen Holloway to be listed as a Director Nominee</a>
107*	<a href="#">Filing Fee Table</a>

\* Filed herewith.

† Management compensatory plan or contract.

# Certain portions of this exhibit were redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

^ Certain schedules (or similar attachments) of this exhibit were omitted pursuant to Item 601(a)(5) of Regulation S-K.

### **Item 17. Undertakings**

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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The undersigned registrant hereby undertakes that:

- (1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Montgomery, State of Texas, on March 31, 2023.

**Kodiak Gas Services, Inc.**

By: /s/ Robert M. McKee  
Name: Robert M. McKee  
Title: President and Chief Executive Officer

Each person whose signature appears below appoints Robert M. McKee and Kelly M. Battle and each of them, any of whom may act without the joinder of the other, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement and any Registration Statement (including any amendment thereto) for this offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or would do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Robert M. McKee</u> Robert M. McKee	President, Chief Executive Officer and Director Nominee (Principal Executive Officer)	March 31, 2023
<u>/s/ John B. Griggs</u> John B. Griggs	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 31, 2023
<u>/s/ Ewan W. Hamilton</u> Ewan W. Hamilton	Executive Vice President and Chief Accounting Officer (Principal Accounting Officer)	March 31, 2023
<u>/s/ Alex Darden</u> Alex Darden	Director	March 31, 2023
<u>/s/ Teresa Mattamouros</u> Teresa Mattamouros	Director	March 31, 2023

Kodiak Gas Services, Inc.

Common Stock

Underwriting Agreement

\_\_\_\_\_, 2023

Goldman Sachs & Co. LLC  
J.P. Morgan Securities LLC  
Barclays Capital Inc.

As representatives (the "Representatives") of the several Underwriters  
named in Schedule I hereto

c/o Goldman Sachs & Co. LLC  
200 West Street,  
New York, New York 10282-2198

c/o J.P. Morgan Securities LLC  
383 Madison Avenue  
New York, New York 10179

and

c/o Barclays Capital Inc.  
745 Seventh Avenue  
New York, New York 10019

Ladies and Gentlemen:

Kodiak Gas Services Inc., a Delaware corporation (the "Company"), proposes, subject to the terms and conditions stated in this agreement (this "Agreement"), to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") an aggregate of [ • ] shares (the "Firm Shares") and, at the election of the Underwriters, up to [ • ] additional shares (the "Optional Shares") of common stock ("Stock") of the Company (the Firm Shares and the Optional Shares that the Underwriters elect to purchase pursuant to Section 2 hereof being collectively called the "Shares").

[•] (the "Directed Share Underwriter") has agreed to reserve up to [ • ] Shares of the Shares to be purchased by it under this Agreement for sale at the direction of the Company to certain parties related to the Company (collectively, "Participants"). The Shares to be sold by the Directed Share Underwriter pursuant to the Directed Share Program are hereinafter called the "Directed Shares." Any Directed Shares not confirmed for purchase by the deadline established therefor by the Directed Share Underwriter in consultation with the Company will be offered to the public by the Underwriters as set forth in the Prospectus.



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1. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) A registration statement on Form S-1 (File No. 333-[ • ]) (the “Initial Registration Statement”) in respect of the Shares has been filed with the Securities and Exchange Commission (the “Commission”); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a “Rule 462(b) Registration Statement”), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the “Act”), which became effective upon filing, no other document with respect to the Initial Registration Statement has been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose or pursuant to Section 8A of the Act has been initiated or, to the Company’s knowledge, threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a “Preliminary Prospectus”; the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof and deemed by virtue of Rule 430A under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the “Registration Statement”; the Preliminary Prospectus relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(c) hereof) is hereinafter called the “Pricing Prospectus”; such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the “Prospectus”; any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act or Rule 163B under the Act is hereinafter called a “Testing-the-Waters Communication”; any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act is hereinafter called a “Written Testing-the-Waters Communication”; and any “issuer free writing prospectus” as defined in Rule 433 under the Act relating to the Shares is hereinafter called an “Issuer Free Writing Prospectus”);

(b) (A) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and (B) each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information (as defined in Section 9(b) of this Agreement);

(c) For the purposes of this Agreement, the “Applicable Time” is \_\_\_:\_\_\_m (Eastern time) on the date of this Agreement. The Pricing Prospectus, as supplemented by the information listed on Schedule II(c) hereto, taken together (collectively, the “Pricing Disclosure Package”) as of the Applicable Time, did not, and as of each Time of Delivery (as defined in Section 4(a) of this Agreement) will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus<sup>1</sup> and each Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each Issuer Free Writing Prospectus and each Written Testing-the-Waters Communication, as supplemented by and taken together with the Pricing Disclosure Package, as of the Applicable Time, did not, and as of each Time of Delivery will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions made in reliance upon and in conformity with the Underwriter Information; and no such or any other documents were filed with the Commission since the Commission’s close of business on the business day immediately prior to the date of this Agreement and prior to the execution of this Agreement, except as set forth on Schedule II(b) hereto;

(d) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration Statement, as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, and as of each Time of Delivery, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information;

(e) Neither the Company nor any of its subsidiaries has, since the date of the latest audited financial statements included in the Pricing Prospectus, (i) sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree or (ii) entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company and its subsidiaries taken as a whole or incurred any liability or obligation, direct or contingent, that is material to the Company and its subsidiaries taken as a whole, in each case otherwise than as set

<sup>1</sup> Schedule II(a) will list those issuer free writing prospectuses (including any electronic roadshow) used in connection with the offering that are not included in the Pricing Disclosure Package (if any).

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forth or contemplated in the Pricing Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Pricing Prospectus, there has not been (x) any change in the capital stock (other than as a result of (i) the exercise or settlement, if any, of stock options or the award, if any, of stock options, restricted stock or other equity awards in the ordinary course of business pursuant to the Company's equity plans that are described in the Pricing Prospectus and the Prospectus or (ii) the issuance, if any, of stock upon exercise or conversion of Company securities as described in the Pricing Prospectus and the Prospectus) or long-term debt of the Company or any of its subsidiaries or (y) any Material Adverse Effect (as defined below); as used in this Agreement, "Material Adverse Effect" shall mean any material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting (i) the business, properties, general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, except as set forth or contemplated in the Pricing Prospectus, or (ii) the ability of the Company to perform its obligations under this Agreement, including the issuance and sale of the Shares, or to consummate the transactions contemplated in the Pricing Prospectus and the Prospectus ;

(f) The Company and its subsidiaries have good and marketable title in fee simple to all real property and good and marketable title to all personal property (other than with respect to intellectual property, which is addressed exclusively in subsection (z) below) owned by them and necessary to conduct their business, in each case free and clear of all liens, encumbrances and defects except (i) such as are described in the Pricing Prospectus and the Prospectus; (ii) such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; (iii) that secure the Company's senior secured asset-based revolving credit facility governed by that certain Fourth Amended and Restated Credit Agreement, dated as of March 22, 2023 (the "ABL Facility"); and (iv) any real property and buildings held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not materially interfere with the use made and proposed to be made of such property and buildings by the Company and its subsidiaries;

(g) Each of the Company and each of its subsidiaries has been (i) duly organized and is validly existing and is in good standing (to the extent the concept of good standing or a similar concept exists in the relevant jurisdiction) under the laws of its jurisdiction of organization, with corporate power and authority to own its properties and conduct its business as described in the Pricing Prospectus, and (ii) duly qualified as a foreign corporation for the transaction of business and is in good standing (where such concept exists) under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except, in the case of this clause (ii), where the failure to be so qualified or in good standing (where such concept exists) would not, individually or in the aggregate, have a Material Adverse Effect, and each subsidiary of the Company that is a "significant subsidiary" as defined in Rule 1-02 of Regulation S-X under the Act has been listed in the Registration Statement;

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(h) The Company has an authorized capitalization as set forth in the Pricing Prospectus; after giving effect to the transactions contemplated in this Agreement, the Company would have an authorized capitalization as set forth under the as adjusted column of the capitalization table in the section entitled "Capitalization"; and all of the issued shares of capital stock of the Company have been duly authorized and are validly issued, fully paid, and nonassessable and conform in all material respects to the description of the Stock contained in the Pricing Disclosure Package and Prospectus; and all of the issued shares of capital stock of each subsidiary of the Company have been duly authorized and are validly issued, fully paid, and nonassessable and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims except (i) as otherwise disclosed in the Pricing Prospectus and the Prospectus and (ii) those that secure the ABL Facility;

(i) The Shares have been duly authorized and, when issued and delivered against payment therefor as provided herein, will be validly issued, fully paid, and non-assessable and will conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights;

(j) The issue and sale of the Shares and the execution and delivery by the Company of this Agreement and the consummation of the transactions contemplated in this Agreement and the Pricing Prospectus will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (A) any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (B) the certificate of incorporation or by-laws (or other applicable organizational document) of the Company or any of its subsidiaries, or (C) any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties except, in the case of clauses (A) and (C) for such defaults, breaches, or violations that would not, individually or in the aggregate, have a Material Adverse Effect; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Shares or the consummation by the Company of the transactions contemplated by this Agreement or the offering of the Directed Shares in any jurisdiction where the Directed Shares are being offered, except such as have been obtained under the Act, the approval by the Financial Industry Regulatory Authority ("FINRA") of the underwriting terms and arrangements, the approval for listing the Shares on The New York Stock Exchange (the "Exchange") and such consents, approvals, authorizations, registrations or qualifications as may have been obtained or may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters;

(k) Neither the Company nor any of its subsidiaries is (i) in violation of its certificate of incorporation or by-laws (or other applicable organizational document), (ii) in violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, or (iii) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except, in the case of the foregoing clauses (ii) and (iii), for such violations or defaults as would not, individually or in the aggregate, have a Material Adverse Effect;

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(l) The statements set forth in the Pricing Prospectus and Prospectus under the caption “Description of Capital Stock”, insofar as they purport to constitute a summary of the terms of the Stock, under the caption “Material U.S. Federal Income Tax Considerations for Non-U.S. Holders”, and under the caption “Underwriting”, insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate in all material respects;

(m) Other than as set forth in the Pricing Prospectus, there are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings (“Actions”) pending to which the Company or any of its subsidiaries or, to the Company’s knowledge, any officer or director of the Company, is a party or of which any property of the Company or any of its subsidiaries or, to the Company’s knowledge, any officer or director of the Company, is the subject which, if determined adversely to the Company or any of its subsidiaries (or such officer or director), would individually or in the aggregate have a Material Adverse Effect; and, to the Company’s knowledge, no such proceedings are threatened or contemplated by governmental authorities or others; and there are no current or pending Actions that are required under the Act to be described in the Registration Statement or the Pricing Prospectus that are not so described therein;

(n) The Company is not and, immediately after giving effect to the offering and sale of the Shares and the application of the proceeds thereof, will not be, an “investment company”, as such term is defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”);

(o) At the time of filing the Initial Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Shares, and at the date hereof, the Company was not and is not an “ineligible issuer,” as defined under Rule 405 under the Act;

(p) BDO USA LLP, who has certified certain financial statements of the Company and its subsidiaries, is an independent public accountant as required by the Act and the rules and regulations of the Commission thereunder;

(q) The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) that (i) has been designed to comply with the requirements of the Exchange Act applicable to the Company, (ii) has been designed by the Company’s principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles (“GAAP”) and (iii) is designed to provide reasonable assurance that (A) transactions are executed in accordance with management’s general or specific authorization, (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets, (C) access to assets is permitted only in accordance with management’s general or specific authorization and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and the Company’s internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting;

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(r) Since the date of the latest audited financial statements included in the Pricing Prospectus, there has been no change in the Company's internal control over financial reporting that has materially and adversely affected, or is reasonably likely to materially and adversely affect, the Company's internal control over financial reporting;

(s) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that have been designed to comply with the requirements of the Exchange Act applicable to the Company; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective at the reasonable assurance level;

(t) This Agreement has been duly authorized, executed and delivered by the Company;

(v) Neither the Company nor any of its subsidiaries, nor any director or officer of the Company or any of its subsidiaries nor, to the knowledge of the Company, any employee, agent, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries is in violation of or, at any time in the past five years, has violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or the rules and regulations thereunder, the Bribery Act 2010 of the United Kingdom or any other applicable anti-corruption, anti-bribery or related law, statute or regulation (collectively, "Anti-Corruption Laws"); the Company and its subsidiaries have instituted and maintained and will continue to maintain policies and procedures reasonably designed to promote and achieve compliance with such laws and with the representations and warranties contained herein; neither the Company nor any of its subsidiaries will use, directly or knowingly indirectly, the proceeds of the offering in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any person in violation of Anti-Corruption Laws;

(w) The operations of the Company and its subsidiaries are in compliance with the requirements of applicable anti-money laundering laws, including, but not limited to, the Bank Secrecy Act of 1970, as amended by the USA PATRIOT ACT of 2001, and the rules and regulations promulgated thereunder, and the applicable anti-money laundering laws of the various jurisdictions in which the Company and its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulation or guidelines issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

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(x) Neither the Company nor any of its subsidiaries, nor any director or officer of the Company or any of its subsidiaries nor, to the knowledge of the Company, any employee, agent, affiliate or other person acting on behalf of the Company or any of its subsidiaries is (i) currently the subject or the target of any sanctions administered or enforced by the U.S. Government, including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC”), or the U.S. Department of State and including, without limitation, the designation as a “specially designated national” or “blocked person,” the European Union, His Majesty’s Treasury, the United Nations Security Council, or other relevant sanctions authority (collectively, “Sanctions”), or (ii) located, organized, or resident in a country or territory that is the subject or target of comprehensive Sanctions (a “Sanctioned Jurisdiction”). The Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity in violation of Sanctions (i) to fund or facilitate any activities of or business with any person, or in any country or territory, that, at the time of such funding, is the subject or the target of Sanctions or (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions; neither the Company nor any of its subsidiaries is engaged in, or has, at any time in the past five years, engaged in, any dealings or transactions with or involving any individual or entity was or is, as applicable, at the time of such dealing or transaction, the subject or target of Sanctions or with any Sanctioned Jurisdiction;

(y) The financial statements included in the Registration Statement, the Pricing Prospectus and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its subsidiaries at the dates indicated and the statement of operations, stockholders’ equity and cash flows of the Company and its subsidiaries for the periods specified; said financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved. The supporting schedules, if any included in the Registration Statement, the Pricing Prospectus and the Prospectus, present fairly in all material respects in accordance with GAAP the information required to be stated therein. The summary financial information included in the Registration Statement, the Pricing Prospectus and the Prospectus present fairly in all material respects the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included therein. Except as included therein, no historical or pro forma financial statements or supporting schedules are required to be included in the Registration Statement, the Pricing Prospectus or the Prospectus under the Act or the rules and regulations promulgated thereunder. All disclosures contained in the Registration Statement, the Pricing Prospectus and the Prospectus regarding “non-GAAP financial measures” (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Act, to the extent applicable;

(z) To the Company’s knowledge, the Company and each of its subsidiaries (i) own or otherwise possess rights to use all material intellectual property (including: patents, patent applications, trademarks, service marks, trade names, domain names, copyrights and registrations and applications thereof, know-how, software, systems and technology (including trade secrets and other unpatented and/or unpatentable proprietary

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or confidential information, systems or proprietary procedures and other intellectual property)) necessary for the conduct of their respective businesses as currently conducted, (ii) do not, through the conduct of their respective businesses, infringe or violate any intellectual property rights owned by others except as would not, individually or in the aggregate, have a Material Adverse Effect and (iii) in the past three (3) years, have not received any written notice of any claim of infringement or violation of any intellectual property rights owned by a third party that, individually or in the aggregate, would, have a Material Adverse Effect;

(aa) The Company's and its subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "IT Systems") operate and perform in all material respects as required in connection with the operation of the business of the Company and its subsidiaries as currently conducted, free and clear of all bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants, except as would not, individually or in the aggregate, have a Material Adverse Effect; the Company and its subsidiaries have implemented and maintained commercially reasonable controls, policies, and procedures designed to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of the IT Systems and material data (including all personal, personally identifiable, sensitive, confidential or regulated data ("Personal Data")) used in connection with their businesses, and in the past three (3) years, to the Company's knowledge, there have been no actual data security breaches, violations, material outages or unauthorized uses of or unauthorized accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same; the Company and its subsidiaries are presently in compliance in all material respects with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the data privacy and cybersecurity of the IT Systems and Personal Data and to the protection of the IT Systems and Personal Data from unauthorized use, access, or misappropriation, except as would not, individually or in the aggregate, have a Material Adverse Effect;

(bb) No forward-looking statement (within the meaning of Section 27A of the Act and Section 21E of the Exchange Act) included in any of the Registration Statement, the Pricing Prospectus or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith;

(cc) Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Prospectus and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects;

(dd) There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002, as amended and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans and Sections 302 and 906 related to certifications;



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(ec) Neither the Company nor, to the Company's knowledge, any of its affiliates has taken or will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company or any of its subsidiaries in connection with the offering of the Shares;

(ff) The Company and each of its subsidiaries have such permits, licenses, approvals, consents, franchises, certificates of need and other approvals or authorizations of governmental or regulatory authorities ("Permits") as are necessary under applicable law to own or lease their respective properties and conduct their respective businesses in the manner described in the Registration Statement, the Pricing Prospectus and the Prospectus, except for any of the foregoing that would not, individually or in the aggregate, have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received notice of any proceedings related to the revocation or modification of any such Permits that, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect;

(gg) No relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders or other affiliates of the Company or any of its subsidiaries, on the other, that would be required by the Act to be described in a registration statement on Form S-1 to be filed with the Commission and that is not so described in the Registration Statement, the Pricing Disclosure Package or the Prospectus;

(hh) The Company and its subsidiaries, taken as a whole, are insured against losses in amounts as are reasonably adequate to protect the Company and its subsidiaries and as required by law;

(ii) Except as would not have a Material Adverse Effect and except as disclosed in the Pricing Disclosure Package and the Prospectus, (i) the Company and its subsidiaries have paid all federal, state, local and foreign taxes and filed all tax returns required to be paid or filed through the date hereof, and (ii) there is no tax deficiency that has been, or would reasonably be expected to be, asserted against the Company or any of its subsidiaries or any of their respective properties or assets;

(ij) No labor dispute with employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is threatened except, in each case, as would not, individually or in the aggregate, have a Material Adverse Effect;

(kk) Except as disclosed in the Pricing Disclosure Package and the Prospectus, (i) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or non-U.S. statute, law, rule, regulation, ordinance, code, other requirement or rule of law (including common law), or decision, decree, judgment, injunction or order of any domestic or foreign governmental agency, governmental body or court, relating to pollution, to the use, handling, transportation, treatment, storage, discharge, disposal or release of Hazardous Substances (as defined below), to the protection of the environment (including natural resources), and to worker health and safety (to the extent related to exposure to Hazardous Substances), (collectively, "Environmental Laws"), (ii) neither the Company nor any of its subsidiaries has released any Hazardous Substances in quantities reasonably likely to result in liability for the Company under any Environmental Laws, (iii) neither the Company nor any of its subsidiaries is subject to any pending, or to the Company's knowledge, threatened, claim by any governmental agency or governmental body or person arising under Environmental Laws or relating to the

release of or exposure of any person to Hazardous Substances, (iv) the Company and its subsidiaries have received and are in compliance with all permits, licenses, authorizations, consents, exemptions, or other approvals required under applicable Environmental Laws to conduct their business as currently conducted, and (v) neither the Company nor its subsidiaries anticipates incurring capital expenditures relating to compliance with Environmental Laws, except in each case covered by clauses (i) through (v) such as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as disclosed in the Pricing Disclosure Package and the Prospectus, there is no proceeding that is pending, or, to the Company's knowledge, that is threatened in writing, against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which it is reasonably believed no monetary sanctions of \$300,000 or more will be imposed. For purposes of this subsection "Hazardous Substances" means (A) petroleum and petroleum products and by-products, radioactive materials, asbestos-containing materials, per and polyfluoroalkyl substances and polychlorinated biphenyls, and (B) any other chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant, contaminant or waste under Environmental Laws due to its dangerous or deleterious properties or characteristics;

(II) (A) Each employee benefit plan, within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), for which the Company or any member of its "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b),(c),(m) or (o) of the Internal Revenue Code of 1986, as amended (the "Code")) would have any liability (each, a "Plan") has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; (B) no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan, excluding transactions effected pursuant to a statutory or administrative exemption; (C) for each Plan that is subject to the funding rules of Section 412 of the Code or Section 302 of ERISA, no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (D) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA), and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA); (E) the fair market value of the assets of each Plan exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (F) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (G) each Plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification; (H) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guarantee Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer

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plan” within the meaning of Section 4001(a)(3) of ERISA); and (i) none of the following events has occurred or is reasonably likely to occur: (A) a material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company’s and its Controlled Group affiliates’ most recently completed fiscal year; or (B) a material increase in the Company and its subsidiaries’ “accumulated post-retirement benefit obligations” (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company and its subsidiaries’ most recently completed fiscal year, except in each case with respect to the events or conditions set forth in clauses (A) through (I) hereof, as would not, individually or in the aggregate, have a Material Adverse Effect;

(mm) Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder’s fee or like payment in connection with the offering and sale of the Shares;

(nn) Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market related data included in the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects;

(oo) From the time of initial confidential submission of a registration statement relating to the Shares with the Commission through the date hereof, the Company has been and is an “emerging growth company” as defined in Section 2(a)(19) of the Act (an “Emerging Growth Company”);

(pp) The Registration Statement, the Pricing Disclosure Package and the Prospectus, any Preliminary Prospectus, any Issuer Free Writing Prospectuses and any Written Testing-the-Waters Communication comply in all material respects, and any further amendments or supplements thereto will comply in all material respects, with any applicable laws or regulations of foreign jurisdictions in which the Pricing Disclosure Package, the Prospectus, any Preliminary Prospectus, any Issuer Free Writing Prospectus and any Written Testing-the-Waters Communication, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program;

(qq) No authorization, approval, consent, license, order, registration or qualification of or with any government, governmental instrumentality or court, other than such as have been obtained, is necessary under the securities laws and regulations of foreign jurisdictions in which the Directed Shares are offered outside the United States;

(rr) The Company has specifically directed in writing the allocation of Shares to each Participant in the Directed Share Program, and neither the Directed Share Underwriter nor any other Underwriter has had any involvement or influence, directly or indirectly, in such allocation decision; and

(ss) The Company has not offered, or caused the Directed Share Underwriter or its affiliates to offer, Shares to any person pursuant to the Directed Share Program (i) for any consideration other than the cash payment of the initial public offering price per share set forth in Schedule II hereof or (ii) with the specific intent to unlawfully influence (x) a customer or supplier of the Company to alter the customer or supplier’s terms, level or type of business with the Company or (y) a trade journalist or publication to write or publish favorable information about the Company or its products.

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2. Subject to the terms and conditions herein set forth, (a) the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price per share of \$[ • ], the number of Firm Shares set forth opposite the name of such Underwriter in Schedule I hereto and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the purchase price per share set forth in clause (a) of this Section 2 (provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares), that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by the Representatives so as to eliminate fractional shares) determined by multiplying such number of Optional Shares by a fraction, the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule I hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder.

The company hereby grants to the Underwriters the right to purchase at their election up to [ • ] Optional Shares, at the purchase price per share set forth in the paragraph above, provided that the purchase price per Optional Share shall be reduced by an amount per share equal to the dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares. Any such election to purchase Optional Shares may be exercised only by written notice from the Representatives to the Company, given within a period of 30 calendar days after the date of this Agreement, setting forth the aggregate number of Optional Shares to be purchased and the date on which such Optional Shares are to be delivered, as determined by the Representatives but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless the Representatives and the Company otherwise agree in writing, earlier than two or later than ten business days after the date of such notice.

3. Upon the authorization by the Representatives of the release of the Shares, the several Underwriters propose to offer the Shares for sale upon the terms and conditions set forth in the Pricing Disclosure Package and the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder, in definitive or book-entry form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company shall be delivered by or on behalf of the Company to the Representatives, through the facilities of the Depository Trust Company ("DTC"), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least forty-eight hours in advance. The Company will cause the certificates, if any, representing the Shares to be made available for checking

and packaging at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the "Designated Office"). The time and date of such delivery and payment shall be, with respect to the Firm Shares, 9:30 a.m., New York City time, on [ • ], 2023 or such other time and date as the Representatives and the Company may agree upon in writing, and, with respect to the Optional Shares, 9:30 a.m., New York time, on the date specified by the Representatives in the written notice given by the Representatives of the Underwriters' election to purchase such Optional Shares, or such other time and date as the Representatives and the Company may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the "First Time of Delivery", such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery".

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 8 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 8(j) hereof, will be delivered at the offices of Latham & Watkins LLP, 811 Main Street, Suite 3700, Houston, TX, 77002 (the "Closing Location"), and the Shares will be delivered at the Designated Office, all at such Time of Delivery. A meeting will be held at the Closing Location at [ • ] p.m., New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order;

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(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may reasonably request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation (where not otherwise required) or to file a general consent to service of process in any jurisdiction (where not otherwise required);

(c) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement (or such other time as may be agreed by the Representatives and the Company) and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case any Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may reasonably request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable (which may be satisfied by filing with the Commission's Electronic Data Gathering Analysis and Retrieval System ("EDGAR")), but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e)(1) During the period beginning from the date hereof and continuing to and including the date 180 days after the date of the Prospectus (the "Lock-Up Period"), not to (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or publicly file with or confidentially

submit to the Commission a registration statement under the Act relating to, any securities of the Company that are substantially similar to the Shares (except the filing by the Company of any registration statement on Form S-8 (or any successor form) with the Commission relating to the offering of securities pursuant to the terms of an equity incentive or similar plans described in the Pricing Disclosure Package), including but not limited to any options or warrants to purchase shares of Stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such substantially similar securities ("Lock-Up Securities"), or publicly disclose the intention to make any offer, sale, pledge, disposition or filing or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, in each case without the prior written consent of two of the Representatives (other than (A) the Shares to be sold hereunder, (B) any equity incentive compensation, including restricted stock, restricted stock units or Lock-Up Securities, issued under equity incentive or similar plans described in the Registration Statement, the Pricing Disclosure Package and Prospectus, (C) issuances of Lock-Up Securities issued as consideration for the acquisition of equity interests or assets of any person, or the acquiring by the Company by any other manner of any business, properties, assets, or persons, in one transaction or a series of related transactions or the filing of a registration statement related to such Lock-Up Securities; provided that (I) no more than an aggregate of 10% of the number of shares of the Company's capital stock outstanding as of the First Time of Delivery are issued as consideration in connection with all such acquisitions and (II) prior to the issuance of such shares of the Company's capital stock each recipient of such shares agrees in writing to be subject to the "lock-up" described in this Section 5(e) for the remaining term of the Lock-Up Period, (D) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Stock, provided that such plan does not provide for the transfer of Stock during the Lock-Up Period and (E) the confidential submission by the Company of a resale shelf draft registration statement on Form S-1 with the Commission to the extent consistent with the Company's obligations under the registration rights agreement entered into in connection with the offering of the Shares);

(e)(2) If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in lock-up letter described in Section 8(i) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Annex II hereto through a major news service at least two business days before the effective date of the release or waiver.

(f) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements of income, stockholders' equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its stockholders consolidated summary financial information of the Company and its subsidiaries for such quarter in reasonable detail; *provided*, however, that the Company may satisfy the requirements of this Section 5(f) by filing such information through EDGAR;

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(g) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to you copies of all reports or other communications (financial or other) furnished to stockholders, and to deliver to you as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed; *provided*, however, that the Company may satisfy the requirements of this Section 5(g) by filing such information through EDGAR;

(h) To use the net proceeds received by it from the sale of the Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus under the caption "Use of Proceeds";

(i) To use its best efforts to list, subject to notice of issuance, the Shares on the Exchange;

(j) To file with the Commission such information on Form 10-Q or Form 10-K as may be required by Rule 463 under the Act;

(k) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act;

(l) Upon reasonable request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company's trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Shares (the "License"); *provided*, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred;

(m) To promptly notify you if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Shares within the meaning of the Act and (ii) the last Time of Delivery; and

(n) To comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

6. (a) The Company represents and agrees that, without the prior consent of the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a "free writing prospectus" as defined in Rule 405 under the Act; each Underwriter represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus required to be filed with the Commission; any such free writing prospectus the use of which has been consented to by the Company and the Representatives is listed on Schedule II(a) or Schedule II(c) hereto;



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(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show;

(c) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus or Written Testing-the-Waters Communication prepared or authorized by it any event occurred or occurs as a result of which such Issuer Free Writing Prospectus or Written Testing-the-Waters Communication prepared or authorized by it would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to the Representatives and, if requested by the Representatives, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus, Written Testing-the-Waters Communication or other document which will correct such conflict, statement or omission;

(d) The Company represents and agrees that (i) it has not engaged in, or authorized any other person to engage in, any Testing-the-Waters Communications, other than Testing-the-Waters Communications with the prior consent of the Representatives with entities that the Company reasonably believes are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Act; and (ii) it has not distributed, or authorized any other person to distribute, any Written Testing-the-Waters Communications, other than those distributed with the prior consent of the Representatives that are listed on Schedule III(d) hereto; and the Company reconfirms that the Underwriters have been authorized to act on its behalf in engaging in Testing-the-Waters Communications;

(e) Each Underwriter represents and agrees that any Testing-the-Waters Communications undertaken by it were with entities that such Underwriter reasonably believes are qualified institutional buyers as defined in Rule 144A under the Act or institutions that are accredited investors as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Act.

7. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Written Testing-the-Waters Communication, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of

printing or producing this Agreement, the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Shares; (iii) reasonable and documented expenses in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey (iv) reasonable and documented fees and expenses in connection with listing the Shares on the Exchange; (v) all fees and disbursements of counsel for the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program; (vi) the filing fees incident to, and the fees and disbursements of counsel for the Underwriters (up to \$40,000) in connection with, any required review by FINRA of the terms of the sale of the Shares; (vii) the cost of preparing stock certificates; (viii) the cost and charges of any transfer agent or registrar; and (ix) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, and Sections 9, 10 and 13 hereof, the Underwriters will pay (i) all of their own costs and expenses, including the fees of their counsel, stock transfer taxes on resale of any of the Shares by them, and any advertising expenses connected with any offers they may make, and (ii) in connection with any "road show" undertaken in connection with the marketing of the offering of the Shares, the travel, lodging and meal expenses of the Underwriters; provided, however, the Representatives and the Company agree that the Underwriters shall pay or cause to be paid fifty percent (50%) of the cost of any aircraft chartered in connection with such road show.

8. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company herein are, at and as of the Applicable Time and such Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose or pursuant to Section 8A of the Act shall have been initiated or, to the Company's knowledge, threatened by the Commission; no stop order suspending or preventing the use of the Pricing Prospectus, Prospectus or any Issuer Free Writing Prospectus shall have been initiated or, to the Company's knowledge, threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

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(b) Latham & Watkins LLP, counsel for the Underwriters, shall have furnished to you such written opinion or opinions, dated such Time of Delivery, in form and substance satisfactory to you, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Kirkland & Ellis LLP, counsel for the Company, shall have furnished to you their written opinion, dated such Time of Delivery, in form and substance reasonably satisfactory to you;

(d) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, BDO USA LLP shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance reasonably satisfactory to you;

(e) (i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus there shall not have been any material adverse change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change or effect, or any development involving a prospective change or effect, in or affecting (x) the business, properties, general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, except as set forth or contemplated in the Pricing Prospectus, or (y) the ability of the Company to perform its obligations under this Agreement, including the issuance and sale of the Shares, or to consummate the transactions contemplated in the Pricing Prospectus and the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Representatives so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(f) On or after the Applicable Time (i) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission under Section 3(a)(62) of the Exchange Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities;

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(g) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange or Nasdaq; (ii) a suspension or material limitation in trading in the Company's securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(h) The Shares to be sold at such Time of Delivery shall have been duly listed, subject to notice of issuance, on the Exchange;

(i) The Company shall have obtained and delivered to the Underwriters executed copies of an agreement from each officer, director, and stockholder of the Company and, if applicable, Participants, listed on Schedule III hereto, substantially to the effect set forth in Annex III hereto in form and substance reasonably satisfactory to you;

(j) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement;

(k) The Term Loan Transaction (as defined in the Prospectus) shall have been consummated on the terms described in the Prospectus; and

(l) The Company shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company satisfactory to you as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (e) of this Section and as to such other matters as you may reasonably request.

9. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any "roadshow" as defined in Rule 433(h) under the Act (a "roadshow"), any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Act or any Testing-the-Waters Communication prepared or authorized by the Company, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any documented legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending

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any such action or claim as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus or any Testing-the-Waters Communication, in reliance upon and in conformity with the Underwriter Information.

(b) Each Underwriter, severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any roadshow or any Testing-the-Waters Communication, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any roadshow or any Testing-the-Waters Communication, in reliance upon and in conformity with the Underwriter Information; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred. As used in this Agreement with respect to an Underwriter and an applicable document, "Underwriter Information" shall mean the written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession and reallowance figures appearing in the [5th] paragraph under the caption "Underwriting", and the information contained in the [9th], [10th] and [11th] paragraph under the caption "Underwriting".

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; provided that the failure to notify the indemnifying party shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under the preceding paragraphs of this Section 9. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to

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such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred and documented by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by *pro rata* allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such

action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint.

(e) The obligations of the Company under this Section 9 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each employee, officer and director of each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Act and each broker-dealer or other affiliate of any Underwriter; and the obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Registration Statement as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Act.

10. (a) The Company will indemnify and hold harmless the Directed Share Underwriter against any losses, claims, damages and liabilities to which the Directed Share Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims damages or liabilities (or actions in respect thereof) (i) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) arise out of or are based upon the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase, or (iii) are related to, arise out of or are in connection with the Directed Share Program, and will reimburse the Directed Share Underwriter for any legal or other expenses reasonably incurred by the Directed Share Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that with respect to clauses (ii) and (iii) above, the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability is finally judicially determined to have resulted from the bad faith or gross negligence of the Directed Share Underwriter.

(b) Promptly after receipt by the Directed Share Underwriter of notice of the commencement of any action, the Directed Share Underwriter shall, if a claim in respect thereof is to be made against the Company, notify the Company in writing of the commencement thereof; provided that the failure to notify the Company shall not relieve the Company from any liability that it may have under the preceding paragraph of this Section 10 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the Company shall not relieve it from any liability that it may have to the

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Directed Share Underwriter otherwise than under the preceding paragraph of this Section 10. In case any such action shall be brought against the Directed Share Underwriter and it shall notify the Company of the commencement thereof, the Company shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel satisfactory to the Directed Share Underwriter (who shall not, except with the consent of the Directed Share Underwriter, be counsel to the Company), and, after notice from the Company to the Directed Share Underwriter of its election so to assume the defense thereof, the Company shall not be liable to the Directed Share Underwriter under this subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by the Directed Share Underwriter, in connection with the defense thereof other than reasonable costs of investigation. The Company shall not, without the written consent of the Directed Share Underwriter, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the Directed Share Underwriter is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the Directed Share Underwriter from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of the Directed Share Underwriter.

(c) If the indemnification provided for in this Section 10 is unavailable to or insufficient to hold harmless the Directed Share Underwriter under subsection (a) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then the Company shall contribute to the amount paid or payable by the Directed Share Underwriter as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Directed Share Underwriter on the other from the offering of the Directed Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the Company shall contribute to such amount paid or payable by the Directed Share Underwriter in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Directed Share Underwriter on the other in connection with any statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Directed Share Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of the Directed Shares (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Directed Share Underwriter for the Directed Shares. If the loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement of a material fact or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, the relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Directed Share Underwriter on the other and the parties' relative intent, knowledge,



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access to information and opportunity to correct or prevent such statement or omission. The Company and the Directed Share Underwriter agree that it would not be just and equitable if contribution pursuant to this subsection (c) were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (c). The amount paid or payable by the Directed Share Underwriter as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (c) shall be deemed to include any legal or other expenses reasonably incurred by the Directed Share Underwriter in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (c), the Directed Share Underwriter shall not be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares sold by it and distributed to the Participants exceeds the amount of any damages which the Directed Share Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(d) The obligations of the Company under this Section 10 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each employee, officer and director of the Directed Share Underwriter and each person, if any, who controls the Directed Share Underwriter within the meaning of the Act and each broker-dealer or other affiliate of the Directed Share Underwriter.

11. (a) If any Underwriter shall default in its obligation to purchase the Shares which it has agreed to purchase hereunder at a Time of Delivery, you may in your discretion arrange for you or another party or other parties reasonably satisfactory to the Company to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Shares, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such terms. In the event that, within the respective prescribed periods, you notify the Company that you have so arranged for the purchase of such Shares, or the Company notifies you that it has so arranged for the purchase of such Shares, you or the Company shall have the right to postpone such Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company shall have the right to require each

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non-defaulting Underwriter to purchase the number of shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you and the Company as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to the Second Time of Delivery, the obligations of the Underwriters to purchase and of the Company to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 7 hereof and the indemnity and contribution agreements in Sections 9 and 10 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

12. The respective indemnities, rights of contribution, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any director, officer, employee, affiliate or controlling person of any Underwriter, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Shares.

13. If this Agreement shall be terminated pursuant to Section 11 hereof, the Company shall not then be under any liability to any Underwriter except as provided in Sections 7 and 9 hereof; but, if for any other reason, any Shares are not delivered by or on behalf of the Company as provided herein or the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company will reimburse the Underwriters through you for all documented out-of-pocket expenses approved in writing by you, including reasonably incurred and documented fees and disbursements of counsel, reasonably incurred and documented by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company shall then be under no further liability to any Underwriter except as provided in Sections 7 and 9 hereof.

14. In all dealings hereunder, the Representatives shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by you jointly.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the representatives in care of Goldman Sachs & Co. LLC, 200 West Street, New York, New York, 10282-2198, Attention: Registration Department; J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York, 10179, Attention: Equity Syndicate Desk; and Barclays Capital Inc., 745 Seventh Avenue, New York, New York, 10019, Attention: Syndicate Registration; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 9(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by you upon request; provided, however, that notices under subsection 5(e) shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the representatives at Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282-2198, Attention: Control Room; J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York, 10179, Attention: Equity Syndicate Desk; and Barclays Capital Inc., 745 Seventh Avenue, New York, New York, 10019, Attention: Syndicate Registration. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the underwriters to properly identify their respective clients.

15. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 9 and 12 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, or any director, officer, employee, or affiliate of any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

16. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

17. The Company acknowledges and agrees that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement, (iv) the Company has consulted its own legal and financial advisors to the extent it deemed appropriate, and (v) none of the activities of the Underwriters in connection with the transactions contemplated herein constitutes a

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recommendation, investment advice, or solicitation of any action by the Underwriters with respect to any entity or natural person. The Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

18. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

19. This Agreement and any transaction contemplated by this Agreement and any claim, controversy or dispute arising under or related thereto shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflict of laws that would result in the application of any other law than the laws of the State of New York. The parties agree that any suit or proceeding arising in respect of this Agreement or any transaction contemplated by this Agreement will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York and the Company agrees to submit to the jurisdiction of, and to venue in, such courts.

20. The Company and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

21. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal E-SIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

22. Notwithstanding anything herein to the contrary, the Company is authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company relating to that treatment and structure, without the Underwriters imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

23. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

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(b) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

(c) As used in this section:

“BHC Act Affiliate” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

“Covered Entity” means any of the following:

- (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“U.S. Special Resolution Regime” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing is in accordance with your understanding, please sign and return to us six counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement between each of the Underwriters and the Company. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Very truly yours,

Kodiak Gas Services, Inc.

By: \_\_\_\_\_  
Name:  
Title:

Accepted as of the date hereof:

Goldman Sachs & Co. LLC

By: \_\_\_\_\_  
Name:  
Title:

J.P. Morgan Securities LLC

By: \_\_\_\_\_  
Name:  
Title:

Barclays Capital Inc.

By: \_\_\_\_\_  
Name:  
Title:

On behalf of each of the Underwriters

SCHEDULE I

Underwriter	Total Number of Firm Shares to be Purchased	Number of Optional Shares to be Purchased if Maximum Option Exercised
Goldman Sachs & Co. LLC		
J.P. Morgan Securities LLC		
Barclays Capital Inc.		
BofA Securities, Inc.		
Raymond James & Associates, Inc.		
RBC Capital Markets, LLC		
Stifel, Nicolaus & Company, Incorporated		
Truist Securities, Inc.		
Tudor, Pickering, Holt & Co. Securities, LLC		
Comerica Securities, Inc.		
Fifth Third Securities, Inc.		
Regions Securities LLC		
TCBI Securities, Inc.		
AmeriVet Securities, Inc.		
Guzman & Company		
R. Seelaus & Co., LLC		
Siebert Williams Shank & Co., LLC		
Total	=====	=====

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SCHEDULE II

(a) Issuer Free Writing Prospectuses not included in the Pricing Disclosure Package:

[Electronic roadshow dated [ • ]]

(b) Additional Documents Incorporated by Reference:

[None]

(c) Information other than the Pricing Prospectus that comprise the Pricing Disclosure Package:

The initial public offering price per share for the Shares is \$[• ]

The number of Shares purchased by the Underwriters is [ • ].

[Add any other pricing disclosure.]

(d) Written Testing-the-Waters Communications:

[ • ]



SCHEDULE III

Name of Officer, Director, Director Nominee or Stockholder	Address
Frontier TopCo Partnership, L.P.	51A, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg
Mickey McKee	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
William C. Lenamon	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
John B. Griggs	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Kelly M. Battle	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Cory A. Roclawski	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Alex Darden	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Teresa Mattamouros	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Randall Hogan	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Terry Bonno	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Peggy Montana	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356

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Jon-Al Duplantier	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Chris Drumgoole	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356
Gretchen Holloway	C/O Kodiak Gas Services, Inc., 15320 Highway 105 W, Suite 210, Montgomery, Texas 77356

[Reserved.]

## [Form of Press Release]

Kodiak Gas Services, Inc.  
[Date]

Kodiak Gas Services, Inc. (the “Company”) announced today that [• ] and [ • ], two of the lead book-running managers in the Company’s recent public sale of [ • ] shares of common stock, are [waiving] [releasing] a lock-up restriction with respect to shares of the Company’s common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on 20 , and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

**Kodiak Gas Services, Inc.**

**Form of Lock-Up Agreement**

**[Date]**

Goldman Sachs & Co. LLC  
J.P. Morgan Securities LLC  
Barclays Capital Inc.

As representatives (the "Representatives") of the several Underwriters  
named in Schedule I hereto

c/o Goldman Sachs & Co. LLC,  
200 West Street,  
New York, New York 10282-2198

c/o J.P. Morgan Securities LLC  
383 Madison Avenue  
New York, New York 10179

and

c/o Barclays Capital Inc.  
745 Seventh Avenue  
New York, New York 10019

Re: **Kodiak Gas Services, Inc. - Lock-Up Agreement**

To the addressees set forth above:

The undersigned understands that you, as representatives (the "Representatives"), propose to enter into an underwriting agreement (the "Underwriting Agreement") on behalf of the several Underwriters named in Schedule I to such agreement (collectively, the "Underwriters"), with Kodiak Gas Services, Inc., a Delaware corporation (the "Company"), providing for a public offering (the "Public Offering") of shares (the "Shares") of the common stock, par value \$0.01 per share, of the Company (the "Common Stock") pursuant to a Registration Statement on Form S-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission (the "SEC").

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In consideration of the agreement by the Underwriters to offer and sell the Shares, and of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period beginning from the date of this Lock-Up Agreement and continuing to and including the date 180 days after the date set forth on the final prospectus used to sell the Shares (the "Lock-Up Period"), the undersigned shall not, and shall not cause or direct any of its affiliates to, (i) offer, sell, contract to sell, pledge, grant any option to purchase, lend or otherwise dispose of any shares of Common Stock of the Company, or any options or warrants to purchase any shares of Common Stock of the Company, or any securities convertible into, exchangeable for or that represent the right to receive shares of Common Stock of the Company (such options, warrants or other securities, collectively, "Derivative Instruments"), including without limitation any such shares or Derivative Instruments now owned or hereafter acquired by the undersigned (such shares of Common Stock, options, rights, warrants or other securities, collectively, "Lock-Up Securities"), (ii) engage in any hedging or other transaction or arrangement (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) which is designed to or which reasonably could be expected to lead to or result in a sale, loan, pledge or other disposition (whether by the undersigned or someone other than the undersigned), or transfer of any of the economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Common Stock or other securities, in cash or otherwise (any such sale, loan, pledge or other disposition, or transfer of economic consequences, a "Transfer") or (iii) otherwise publicly announce any intention to engage in or cause any action or activity described in clause (i) above or transaction or arrangement described in clause (ii) above. The undersigned represents and warrants that the undersigned is not, and has not caused or directed any of its affiliates to be or become, currently a party to any agreement or arrangement that provides for, is designed to or which reasonably could be expected to lead to or result in any Transfer during the Lock-Up Period. For the avoidance of doubt, the undersigned agrees that the foregoing provisions shall be equally applicable to any issuer-directed or other Shares the undersigned may purchase in the offering.

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), other than a natural person, entity or "group" (as described above) that has executed a Lock-Up Agreement in substantially the same form as this Lock-Up Agreement, beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

If the undersigned is an officer or director of the Company, (i) the Representatives agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Common Stock, the Representatives will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service (or such other method approved by the Representatives that satisfies the requirements of FINRA Rule 5131(d)(2)) at least two business days before the effective date of the release or waiver. Any release or waiver granted

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by the Representatives hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or that is to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be bound by the same terms described in this Lock-Up Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

Notwithstanding the foregoing, the undersigned may transfer the undersigned's shares of Common Stock of the Company

(i) as a *bona fide* gift or gifts or charitable contribution,

(ii) to any trust, partnership, limited liability company or other entity for the direct or indirect benefit of the undersigned or the immediate family of the undersigned or to a member of the undersigned's immediate family or in the case of a trust otherwise permitted by this clause (ii), to any beneficiaries of the trust or to the estate of such trust,

(iii) as a distribution to limited partners, partners, members, stockholders, or other equityholders of the undersigned,

(iv) to the undersigned's affiliates or to any investment fund or other entity controlled or managed by the undersigned,

(v) by will, other testamentary document or intestate succession upon the death of the undersigned or for *bona fide* estate planning purposes,

(vi) by operation of law, such as pursuant to an order of a court or regulatory agency (for purposes of this Lock-Up Agreement, a "court or regulatory agency" means any domestic or foreign, federal, state or local government, including any political subdivision thereof, any governmental or quasi-governmental authority, department, agency or official, any court or administrative body or any national securities exchange or similar self-regulatory body or organization, in each case of competent jurisdiction) or pursuant to a domestic order or in connection with a divorce settlement,

(vii) to the Company or its subsidiaries upon exercise of any right in respect of any equity award granted under any incentive plan of the Company or other arrangement described in the final prospectus relating to the offering or in the exercise of outstanding options, warrants, restricted stock units or other equity interests, including the surrender of shares of Common Stock in a "net" or "cashless" exercise of any equity award to satisfy any exercise price of tax withholding obligations, provided that any securities received upon such exercise shall be subject to the terms of this Lock-Up Agreement,

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(viii) to a *bona fide* third party pursuant to a merger, consolidation, tender offer or other similar transaction made to all holders of Common Stock and involving a change of control of the Company and approved by the Company's board of directors, provided, that (i) in the event that such change of control is not completed, the undersigned's Lock-Up Securities shall remain subject to the restrictions contained herein, and (ii) any shares of Common Stock not transferred in such merger, consolidation, tender offer or similar transaction shall remain subject to the restrictions contained herein. "Change of control" for purposes of this clause (viii) shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons (other than an underwriter pursuant to the offering), of the Company's voting securities if, after such transfer, such person or group of affiliated persons would hold more than 50% of the outstanding voting securities of the Company (or the surviving entity),

(ix) acquired in open market transactions after the completion of the offering of the Shares if (a) such transfers are not required to be reported with the SEC on Form 4 in accordance with Section 16 of the Exchange Act and (b) the undersigned does not otherwise voluntarily effect any public filing or report regarding such transfers,

(x) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (vi) above,

(xi) as a sale of Shares to the Underwriters pursuant to the Underwriting Agreement, and any transfer of Shares or any security convertible into or exercisable or exchangeable for Shares to the Company made on or about the closing date of the offering of the Shares in consideration for cash from the Company's proceeds from such offering, on the terms described in the final prospectus,

(xii) if the undersigned is not an officer or director of the Company, to pledge, hypothecate or grant a security interest in any shares of the undersigned's Common Stock to one or more lending institutions as collateral or security for any loan, advance, extension of credit or similar financing activity (however may not transfer shares of Common Stock upon foreclosure of such shares in connection with such arrangement), or

(xiii) with the prior written consent of two of the Representatives on behalf of the Underwriters.

Notwithstanding the foregoing, the undersigned may establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Lock-Up Securities, provided that such plan does not provide for the transfer of Lock-Up Securities during the Lock-Up Period.



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For purposes of this Lock-Up Agreement, “immediate family” shall mean any relationship by blood, marriage or adoption, not more remote than first cousin. In addition, notwithstanding the foregoing, except in the case of clauses (vii) and (ix), it shall be a condition to the transfer that the transferee execute an agreement stating that the transferee is receiving and holding such capital stock subject to the provisions of this Agreement and there shall be no further transfer of such capital stock except in accordance with this Agreement, and provided further that in the case of any transfer, donation or distribution pursuant to clauses (i) through (vi) and (x), any such transfer shall not involve a disposition for value.

The undersigned now has, and, except as contemplated by clause (i) through (xii) above, for the duration of this Lock-Up Agreement will have, good and marketable title to the undersigned’s shares of Common Stock of the Company, free and clear of all liens, encumbrances, and claims whatsoever. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company’s transfer agent and registrar against the transfer of the undersigned’s shares of Common Stock of the Company except in compliance with the foregoing restrictions.

The undersigned acknowledges and agrees that none of the Underwriters has made any recommendation or provided any investment or other advice to the undersigned with respect to this Lock-Up Agreement or the subject matter hereof, and the undersigned has consulted its own legal, accounting, financial, regulatory, tax and other advisors with respect to this Lock-Up Agreement and the subject matter hereof to the extent the undersigned has deemed appropriate. The undersigned further acknowledges and agrees that, although the Underwriters may have provided or hereafter provide to the undersigned in connection with the Public Offering a Form CRS and/or certain other disclosures as contemplated by Regulation Best Interest, the Underwriters have not made and are not making a recommendation to the undersigned to enter into this Lock-Up Agreement or to transfer, sell or dispose of, or to refrain from transferring, selling or disposing of, any shares of Common Stock, and nothing set forth in such disclosures or herein is intended to suggest that any Underwriter is making such a recommendation.

The undersigned understands that the Company and the Underwriters are relying upon this Lock-Up Agreement in proceeding toward consummation of the offering. The undersigned further understands that this Lock-Up Agreement is irrevocable and shall be binding upon the undersigned’s heirs, legal representatives, successors and assigns. The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-Up Agreement. This Lock-Up Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflict of laws that would result in the application of any law other than the laws of the State of New York. This Lock-Up Agreement may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., [www.docusign.com](http://www.docusign.com) or [www.echosign.com](http://www.echosign.com)) or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

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Very truly yours,

\_\_\_\_\_  
Exact Name of Shareholder

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Title

**CERTIFICATE OF INCORPORATION**

of

**FRONTIER TOPCO, INC.**

The undersigned, in order to form a corporation for the purposes hereinafter stated, under and pursuant to the provisions of the General Corporation Law of the State of Delaware (the "DGCL"), hereby certifies that:

FIRST. The name of the Corporation is Frontier TopCo, Inc.

SECOND. The registered office and registered agent of the Corporation in the State of Delaware is Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle County, Delaware, 19808.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL or any successor statute.

FOURTH. The total number of shares of capital stock which the Corporation shall have authority to issue is 1,000 shares of common stock, par value \$0.01 per share (the "Common Stock").

FIFTH. The name and address of the incorporator is Yilun (Elaine) Zhou, 2475 Hanover Street, Palo Alto, California, 94304.

SIXTH. In furtherance and not in limitation of the powers conferred by the laws of the State of Delaware, the Board of Directors, acting by majority vote, is expressly authorized to make, alter, amend or repeal the Bylaws of the Corporation.

SEVENTH. Unless and except to the extent that the Bylaws of the Corporation shall so require, election of directors of the Corporation need not be by written ballot.

EIGHTH. To the fullest extent permitted by the DGCL as it now exists or may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty owed to the Corporation or its stockholders. Neither the amendment nor repeal of this Article EIGHTH, nor the adoption of any provision of this Certificate of Incorporation, nor, to the fullest extent permitted by the DGCL, any modification of law shall eliminate, reduce or otherwise adversely affect any right or protection of a current or former director of the Corporation existing at the time of such amendment, repeal, adoption or modification.

NINTH. Except as otherwise agreed in writing between such director and the Corporation, or as provided below, to the fullest extent permitted by law, except as may be otherwise agreed in writing between such director and the Corporation, (a) no director of the Corporation (other than any director who is an executive officer of the Corporation) shall have any duty (fiduciary or otherwise) or obligation, if any, to refrain from (i) engaging in the same or similar activities or lines of business as the Corporation or any of its subsidiaries or (ii) doing business with any client, customer or vendor of the Corporation or any of its subsidiaries,

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including, in the cases of clauses (i) or (ii), any such matters as may be Corporate Opportunities (as defined below); and (b) no director shall be deemed to have breached any duty (fiduciary or otherwise), if any, to the Corporation or any of its subsidiaries or stockholders solely by reason of any director of the Corporation (other than any director who is an executive officer of the Corporation) engaging in any such activity or entering into such transactions, including any Corporate Opportunities. "Corporate Opportunity" means any potential transaction, investment or business opportunity or prospective economic or competitive advantage in which the Corporation or any of its subsidiaries could have any expectancy or interest.

Without limiting the foregoing, the Corporation and its subsidiaries shall have no interest or expectation in, nor right to be informed of, any Corporate Opportunity, and in the event that any director of the Corporation (other than any director who is an executive officer of the Corporation) acquires knowledge of a potential transaction or matter which may be a Corporate Opportunity, such director shall, to the fullest extent permitted by law, have no duty (fiduciary or otherwise) or obligation to communicate or offer such Corporate Opportunity to the Corporation or any of its subsidiaries or to any other director of the Corporation and shall not, to the fullest extent permitted by law, be liable to the Corporation or any of its subsidiaries or stockholders for breach of any fiduciary duty as a director of the Corporation or any of its subsidiaries solely by reason of the fact that any director of the Corporation (other than any director who is an executive officer of the Corporation) acquires or seeks such Corporate Opportunity for itself, directs such Corporate Opportunity to another individual, partnership, joint venture, corporation, association, joint stock company, limited liability company, trust, unincorporated organization or government or a department or agency or political subdivision thereof, or otherwise does not communicate information regarding such Corporate Opportunity to the Corporation or its subsidiaries, and the Corporation and its subsidiaries, to the fullest extent permitted by law, waive and renounce any claim that such business opportunity constituted a Corporate Opportunity that should have been presented to the Corporation or its subsidiaries; provided that if an opportunity is expressly communicated to a director of the Corporation in his or her capacity as a director as an opportunity intended exclusively for the Corporation or its subsidiaries (hereinafter called an "Identified Corporate Opportunity"), such Identified Corporate Opportunity shall belong to the Corporation and its subsidiaries and, unless and until the Corporation notifies the stockholders that neither the Corporation nor any of its subsidiaries intend to pursue such Identified Corporate Opportunity, no director of the Corporation may pursue such Identified Corporate Opportunity. In addition to and notwithstanding the foregoing provisions of this Article NINTH, a corporate opportunity shall not be deemed to be a potential corporate opportunity for the Corporation if it is a business opportunity that (i) the Corporation is neither financially or legally able, nor contractually permitted to undertake, (ii) from its nature, is not in the line of the Corporation's business or is of no practical advantage to the Corporation or (iii) is one in which the Corporation has no interest or reasonable expectancy. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article NINTH.

TENTH. The Corporation hereby expressly elects not to be governed by Section 203 of the DGCL, and the restrictions contained in Section 203 of the DCGL shall not apply to the Corporation.

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ELEVENTH. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or the Corporation's Certificate of Incorporation or Bylaws (as either may be amended and/or restated from time to time), (iv) any action to interpret, apply, enforce or determine the validity of the Corporation's Certificate of Incorporation or Bylaws (as either may be amended and/or restated from time to time), or (v) any action asserting a claim governed by the internal affairs doctrine, in each case subject to said court having personal jurisdiction over the indispensable parties named as defendants therein; provided, that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state court sitting in the State of Delaware. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article ELEVENTH.

TWELFTH. If any provision or provisions of this Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) to the fullest extent possible, the provisions of this Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service or for the benefit of the Corporation to the fullest extent permitted by law.

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IN WITNESS WHEREOF, the undersigned has signed this Certificate of Incorporation on December 19, 2018.

/s/ Yilun (Elaine) Zhou

Yilun (Elaine) Zhou

Sole Incorporator

**CERTIFICATE OF AMENDMENT  
TO THE  
CERTIFICATE OF INCORPORATION  
OF  
FRONTIER TOPCO, INC.**

Pursuant to Section 242 of the General Corporation Law of the State of Delaware, the undersigned, being an authorized officer of Frontier TopCo, Inc., a Delaware corporation (the "Company"), hereby certifies the following:

FIRST: The name of the Company is Frontier TopCo, Inc.

SECOND: The original Certificate of Incorporation of the Company was filed with the Secretary of State of the State of Delaware on December 20, 2018.

THIRD: The FIRST section of the Certificate of Incorporation is hereby amended and restated in its entirety as follows:

“FIRST. The name of the corporation is Kodiak Gas Services, Inc. (hereinafter called the "Corporation").”

FOURTH: This amendment to the Certificate of Incorporation of the Company was approved by the Board of Directors of the Company.

[Signature Page Follows]

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IN WITNESS WHEREOF, the Company has caused this Certificate of Amendment to be duly executed this 2nd day of December, 2022.

FRONTIER TOPCO, INC.

By: /s/ Vilune Mackeviciute

Name: Vilune Mackeviciute

Title: Officer



BYLAWS  
OF  
FRONTIER TOPCO, INC.

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ARTICLE I

Meetings of Stockholders

Section 1.1. Annual Meetings. If required by applicable law, an annual meeting of stockholders shall be held for the election of directors at such date, time and place, if any, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting. The Board of Directors may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 1.2. Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, but such special meetings may not be called by any other person or persons. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. The Board of Directors may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board of Directors.

Section 1.3. Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given that shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these bylaws, the notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation.

Section 1.4. Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

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Section 1.5. Quorum. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by a majority in voting power thereof, adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.6. Organization. Meetings of stockholders shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in his or her absence by the President, or in his or her absence by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board of Directors, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7. Voting; Proxies. Except as otherwise provided by or pursuant to the provisions of the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the corporation a revocation of the proxy or a new proxy bearing a later date. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors at which a quorum is present a plurality of the votes cast shall be sufficient to elect. All other elections and questions presented to the stockholders at a meeting at which a quorum is present shall, unless otherwise provided by the certificate of incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the corporation, or applicable law or pursuant to any regulation applicable to the corporation or its securities, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock of the corporation which are present in person or by proxy and entitled to vote thereon.

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Section 1.8. Fixing Date for Determination of Stockholders of Record.

(a) In order that the corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(c) Unless otherwise restricted by the certificate of incorporation, in order that the corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board of Directors, (i) when no prior action of the Board of Directors is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, and (ii) if prior action by the Board of Directors is required by law, the record date for such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

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Section 1.9. List of Stockholders Entitled to Vote The officer who has charge of the stock ledger shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least ten (10) days prior to the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (ii) during ordinary business hours at the principal place of business of the corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 1.9 or to vote in person or by proxy at any meeting of stockholders.

Section 1.10. Action By Written Consent of Stockholders. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which minutes of proceedings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall, to the extent required by law, be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the corporation.

Section 1.11. Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or

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her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.12. Conduct of Meetings. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding person of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the presiding person of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

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ARTICLE II

Board of Directors

Section 2.1. Number: Qualifications. The Board of Directors shall consist of one or more members, the number thereof to be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders.

Section 2.2. Election: Resignation: Vacancies. The Board of Directors shall initially consist of the persons named as directors in the certificate of incorporation or elected by the incorporator of the corporation, and each director so elected shall hold office until the first annual meeting of stockholders or until his or her successor is duly elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his or her successor is duly elected and qualified, subject to such director's earlier death, resignation, disqualification or removal. Any director may resign at any time upon notice to the corporation. Unless otherwise provided by law or the certificate of incorporation, any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he or she has replaced or until his or her successor is elected and qualified.

Section 2.3. Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine.

Section 2.4. Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5. Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6. Quorum: Vote Required for Action. At all meetings of the Board of Directors the directors entitled to cast a majority of the votes of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these bylaws or applicable law otherwise provides, a majority of the votes entitled to be cast by the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

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Section 2.7. Organization. Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in his or her absence by the President, or in their absence by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. Action by Unanimous Consent of Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmissions are filed with the minutes of proceedings of the board or committee in accordance with applicable law.

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ARTICLE III

Committees

Section 3.1. Committees. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it.

Section 3.2. Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.



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ARTICLE IV

Officers

Section 4.1. Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies The Board of Directors shall elect a President and Secretary, and it may, if it so determines, choose a Chairperson of the Board and a Vice Chairperson of the Board from among its members. The Board of Directors may also choose one or more Vice Presidents, one or more Assistant Secretaries, a Treasurer and one or more Assistant Treasurers and such other officers as it shall from time to time deem necessary or desirable. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his or her election, and until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2. Powers and Duties of Officers. The officers of the corporation shall have such powers and duties in the management of the corporation as may be prescribed in a resolution by the Board of Directors and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board of Directors. The Board of Directors may require any officer, agent or employee to give security for the faithful performance of his or her duties. No such officer may bind the corporation individually. The officers of the corporation shall have the power and authority to execute and deliver instruments and other documents in the name and on behalf of the corporation, and the execution and delivery in the name and on behalf of the corporation of any instrument or other document by any two (2) officers of the corporation shall be necessary to bind the corporation with respect to such instrument or other document unless otherwise authorized by resolution of the Board of Directors.

Section 4.3. Appointing Attorneys and Agents; Voting Securities of Other Entities Unless otherwise provided by resolution adopted by the Board of Directors, the Chairperson of the Board, the President or any Vice President may from time to time appoint an attorney or attorneys or agent or agents of the corporation, in the name and on behalf of the corporation, to cast the votes which the corporation may be entitled to cast as the holder of stock or other securities in any other corporation or other entity, any of whose stock or other securities may be held by the corporation, at meetings of the holders of the stock or other securities of such other corporation or other entity, or to consent in writing, in the name of the corporation as such holder, to any action by such other corporation or other entity, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consents, and may execute or cause to be executed in the name and on behalf of the corporation and under its corporate seal or otherwise, all such written proxies or other instruments as he or she may deem necessary or proper. Any of the rights set forth in this Section 4.3 which may be delegated to an attorney or agent may also be exercised directly by the Chairperson of the Board, the President or the Vice President.

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ARTICLE V

Stock

Section 5.1. Certificates: The shares of the corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by or in the name of the corporation by the Chairperson or Vice Chairperson of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by such holder in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

Section 5.2. Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates: The corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

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ARTICLE VI

Indemnification and Advancement of Expenses

Section 6.1. Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 6.3, the corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors of the corporation.

Section 6.2. Advancement of Expenses. The corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VI or otherwise.

Section 6.3. Claims. If a claim for indemnification under this Article VI (following the final disposition of such proceeding) is not paid in full within sixty days after the corporation has received a claim therefor by the Covered Person, or if a claim for any advancement of expenses under this Article VI is not paid in full within thirty days after the corporation has received a statement or statements requesting such amounts to be advanced, the Covered Person shall thereupon (but not before) be entitled to file suit to recover the unpaid amount of such claim. If successful in whole or in part, the Covered Person shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action, the corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 6.4. Nonexclusivity of Rights. The rights conferred on any Covered Person by this Article VI shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

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Section 6.5. Other Sources. The corporation's obligation, if any, to indemnify or to advance expenses to any Covered Person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

Section 6.6. Amendment or Repeal. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of these bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought.

Section 6.7. Other Indemnification and Advancement of Expenses. This Article VI shall not limit the right of the corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

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ARTICLE VII

Miscellaneous

Section 7.1. Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2. Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3. Manner of Notice. Except as otherwise provided herein or permitted by applicable law, notices to directors and stockholders shall be in writing and delivered personally or mailed to the directors or stockholders at their addresses appearing on the books of the corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, and except as prohibited by applicable law, any notice to stockholders given by the corporation under any provision of applicable law, the certificate of incorporation, or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any stockholder who fails to object in writing to the corporation, within 60 days of having been given written notice by the corporation of its intention to send the single notice permitted under this Section 7.3, shall be deemed to have consented to receiving such single written notice. Notice to directors may be given by telecopier, telephone or other means of electronic transmission.

Section 7.4. Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any waiver of notice, given by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in a waiver of notice.

Section 7.5. Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time.

Section 7.6. Amendment of Bylaws. These bylaws may be altered, amended or repealed, and new bylaws made, by the Board of Directors, but the stockholders may make additional bylaws and may alter and repeal any bylaws whether adopted by them or otherwise.

**FORM OF  
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION  
OF  
KODIAK GAS SERVICES, INC.**

The present name of the corporation is Kodiak Gas Services, Inc. (the “**Corporation**”). The Corporation was incorporated under the name “Frontier TopCo, Inc.” by the filing of its original certificate of incorporation with the Secretary of State of the State of Delaware on December 19, 2018, as amended on December 2, 2022 (the “**Original Certificate of Incorporation**”). This Amended and Restated Certificate of Incorporation of the Corporation, which amends, restates and integrates the provisions of the Original Certificate of Incorporation, was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (the “**DGCL**”) and by the written consent of the stockholders in accordance with Section 228 of the DGCL. The Original Certificate of Incorporation of the Corporation is hereby amended and restated to read in its entirety as follows:

**ARTICLE I**

**Section 1.1 Name.** The name of the Corporation is Kodiak Gas Services, Inc.

**ARTICLE II**

**Section 2.1 Address.** The registered office of the Corporation in the State of Delaware is 1675 South State St., Ste B, Dover, Delaware, Kent County; and the name of the Corporation’s registered agent at such address is Capitol Services, Inc.

**ARTICLE III**

**Section 3.1 Purpose.** The purpose of the Corporation is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the DGCL.

**ARTICLE IV**

**Section 4.1 Capitalization.** The total number of shares of all classes of stock that the Corporation is authorized to issue is [ ] shares, consisting of (i) [ ] shares of preferred stock, par value \$0.01 per share (“**Preferred Stock**”), and (ii) [ ] shares of common stock, par value \$0.01 per share the (“**Common Stock**”). The number of authorized shares of any of the Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of any of the Common Stock or Preferred Stock voting separately as a class shall be required therefor, unless a vote of any such holder is required pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock).

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**Section 4.2 Preferred Stock.**

(A) The Board of Directors of the Corporation (the “**Board**”) is hereby expressly authorized, by resolution or resolutions, at any time and from time to time, to provide, out of the unissued shares of Preferred Stock, for one or more series of Preferred Stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers (if any) of the shares of such series, and the powers, preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series and to cause to be filed with the Secretary of State of the State of Delaware a certificate of designation with respect thereto. The powers, preferences and relative, participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

(B) Except as otherwise required by law, holders of a series of Preferred Stock, as such, shall be entitled only to such voting rights, if any, as shall expressly be granted thereto by this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to such series of Preferred Stock).

**Section 4.3 Common Stock.**

(A) **Voting Rights.**

(1) Each holder of Common Stock, as such, shall be entitled to one vote for each share of Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote.

(2) Notwithstanding the foregoing, to the fullest extent permitted by law, holders of Common Stock, as such, shall have no voting power with respect to, and shall not be entitled to vote on, any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock) or pursuant to the DGCL. Except as otherwise provided in this Amended and Restated Certificate of Incorporation or required by applicable law, the holders of Common Stock shall vote together as a single class (or, if the holders of one or more series of Preferred Stock are entitled to vote together with the holders of Common Stock, as a single class with the holders of such other series of Preferred Stock) on all matters submitted to a vote of the stockholders generally.

(B) **Dividends and Distributions.** Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the payment of dividends and other distributions in cash, property of the Corporation or shares of the Corporation’s capital stock, such dividends and other distributions may be declared and paid ratably on the Common Stock out of the assets of the Corporation that are by law available therefor at such times and in such amounts as the Board in its discretion shall determine.

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(C) **Liquidation, Dissolution or Winding Up.** In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and subject to the rights, if any, of the holders of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock as to distributions upon dissolution or liquidation or winding up, the holders of all outstanding shares of Common Stock shall be entitled to receive the remaining assets of the Corporation available for distribution ratably in proportion to the number of shares held by each such stockholder.

## ARTICLE V

**Section 5.1 Amendment of Certificate of Incorporation.** Notwithstanding anything contained in this Amended and Restated Certificate of Incorporation to the contrary, at any time when EQT (as defined below) beneficially owns, in the aggregate, less than thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, in addition to any vote required by applicable law, the following provisions in this Amended and Restated Certificate of Incorporation may be amended, altered, repealed or rescinded, in whole or in part, or any provision inconsistent therewith or herewith may be adopted, only by the affirmative vote of the holders of at least sixty six and two thirds percent (66 2/3%) in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class: this Article V, Article VI, Article VII, Article VIII, Article IX and Article X. For the purposes of this Amended and Restated Certificate of Incorporation, beneficial ownership of shares shall be determined in accordance with Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

**Section 5.2 Amendment of Bylaws.** The Board is expressly authorized to make, repeal, alter, amend and rescind, in whole or in part, the bylaws of the Corporation (as in effect from time to time, the “Bylaws”) without the assent or vote of the stockholders in any manner not inconsistent with the laws of the State of Delaware or this Amended and Restated Certificate of Incorporation. Notwithstanding anything to the contrary contained in this Amended and Restated Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote of the stockholders, at any time when EQT beneficially owns, in the aggregate, less than thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, in addition to any vote of the holders of any class or series of capital stock of the Corporation required herein (including any certificate of designation relating to any series of Preferred Stock), the Bylaws or applicable law, the affirmative vote of the holders of at least sixty six and two thirds percent (66 2/3%) in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required in order for the stockholders of the Corporation to alter, amend, repeal or rescind, in whole or in part, any provision of the Bylaws or to adopt any provision inconsistent therewith.



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ARTICLE VI

**Section 6.1 Board of Directors.**

(A) Except as provided in this Amended and Restated Certificate of Incorporation and the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board. Except as otherwise provided for or fixed pursuant to the provisions of Article IV (including any certificate of designation with respect to any series of Preferred Stock) and this Article VI relating to the rights of the holders of any series of Preferred Stock to elect additional directors, the total number of directors shall be determined from time to time exclusively by resolution adopted by the Board. The directors (other than those directors elected by the holders of any series of Preferred Stock, voting separately as a series or together with one or more other such series, as the case may be) shall be divided into three classes designated Class I, Class II and Class III. Each class shall consist, as nearly as possible, of one-third of the total number of such directors. Class I directors shall initially serve for a term expiring at the first annual meeting of stockholders following the initial closing of the registered initial underwritten public offering of the Common Stock (the “**IPO Date**”), Class II directors shall initially serve for a term expiring at the second annual meeting of stockholders following the IPO Date and Class III directors shall initially serve for a term expiring at the third annual meeting of stockholders following the IPO Date. Commencing with the first annual meeting of stockholders following the IPO Date, the directors of the class to be elected at each annual meeting shall be elected for a three-year term. If the number of such directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any such additional director of any class elected to fill a newly created directorship resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case shall a decrease in the number of directors remove or shorten the term of any incumbent director. Any such director shall hold office until the annual meeting at which his or her term expires and until his or her successor shall be elected and qualified, or his or her death, resignation, retirement, disqualification or removal from office. The Board is authorized to assign members of the Board already in office to their respective class.

(B) Subject to the rights granted to the holders of any one or more series of Preferred Stock then outstanding or the rights granted pursuant to the Stockholders’ Agreement (as defined below), expected to be dated on or about [•], 2023, by and among the Corporation and certain affiliates of EQT AB Group (together with its affiliates, subsidiaries, successors and assigns (including, without limitation, EQT Fund Management S.à r.l., Frontier TopCo Partnership, L.P., and any of their affiliates, but excluding the Corporation and its subsidiaries), collectively, “**EQT**”) (the “**Stockholders’ Agreement**”), any newly created directorship on the Board that results from an increase in the number of directors and any vacancy occurring in the Board (whether by death, resignation, retirement, disqualification, removal or other cause) shall be filled by a majority of the directors then in office, although less than a quorum, by a sole remaining director or by the stockholders; provided, however, that at any time when EQT beneficially owns, in the aggregate, less than thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, any newly created directorship on the Board that results from an increase in the number of directors and any vacancy occurring in the Board shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director (and not by stockholders). Any director elected to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall be elected and qualified, or until his or her earlier death, resignation, retirement, disqualification or removal.

(C) Subject to the rights granted under the Stockholders' Agreement, any or all of the directors (other than the directors elected by the holders of any series of Preferred Stock, voting separately as a series or together with one or more other such series, as the case may be) may be removed at any time either with or without cause by the affirmative vote of a majority in voting power of all outstanding shares of stock of the Corporation entitled to vote thereon, voting as a single class; provided, however, that at any time when EQT beneficially owns, in the aggregate, less than thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, any such director or all such directors may be removed only for cause and only by the affirmative vote of the holders of at least sixty six and two thirds percent (66 2/3%) in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class.

(D) During any period when the holders of any series of Preferred Stock, voting separately as a series or together with one or more series, have the right to elect additional directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, retirement, disqualification or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate and the total authorized number of directors of the Corporation shall be reduced accordingly.

(E) Elections of directors need not be by written ballot unless the Bylaws shall so provide.

## ARTICLE VII

### Section 7.1 Limitation on Liability of Directors and Officers.

(A) To the fullest extent that the DGCL or any other law of the State of Delaware as the same exists or is hereafter amended permits the limitation or elimination of the liability of directors, no person who is or was a director of the Corporation shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as a director, as applicable; provided that this provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (d) for any transaction from which the director derived an improper personal benefit. Any repeal or amendment of this Section 7.1 or by changes in law, or the adoption of any other provision of this Amended and Restated Certificate of Incorporation inconsistent with this Section 7.1 will, unless otherwise required by law, be prospective only (except to the

extent such amendment or change in law permits the Corporation to further limit or eliminate the liability of directors) and shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or amendment or adoption of such inconsistent provision with respect to acts or omissions occurring prior to such repeal or amendment or adoption of such inconsistent provision.

(B) To the fullest extent that the DGCL or any other law of the State of Delaware as the same exists or is hereafter amended permits the limitation or elimination of the liability of officers, no person who is or was an officer of the Corporation shall be personally liable to the Corporation or any of its stockholders for monetary damages for breach of fiduciary duty as an officer; provided that this provision shall not eliminate or limit the liability of an officer (i) for any breach of the officer's duty of loyalty to the Corporation or its stockholders, (ii) for any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law, (iii) for any transaction from which the officer derived an improper personal benefit or (iv) for any action by or in the right of the Corporation. Any repeal or amendment of this Section 7.1 by changes in law, or the adoption of any other provision of this Amended and Restated Certificate of Incorporation inconsistent with this Section 7.1 will, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to further limit or eliminate the liability of officers) and shall not adversely affect any right or protection of an officer of the Corporation existing at the time of such repeal or amendment or adoption of such inconsistent provision with respect to acts or omissions occurring prior to such repeal or amendment or adoption of such inconsistent provision.

(C) The Corporation shall indemnify to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative, or investigative, by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation or any predecessor of the Corporation, or serves or served at any other enterprise as a director, officer, employee or agent at the request of the Corporation or any predecessor to the Corporation. The indemnification provided herein shall inure to the benefit of the heirs, executors and administrators of any person entitled to indemnification hereunder and shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise. Any amendment, repeal, or modification of this Section 7.1 shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification

## ARTICLE VIII

**Section 8.1 Consent of Stockholders in Lieu of Meeting** At any time when EQT beneficially owns, in the aggregate, at least thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote, if a written consent or consents, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered

to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. At any time when EQT beneficially owns, in the aggregate, less than thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders; provided, however, that any action required or permitted to be taken by the holders of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable certificate of designation relating to such series of Preferred Stock.

**Section 8.2 Special Meetings of the Stockholders.** Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation for any purpose or purposes may be called at any time only by or at the direction of the Board or the Chairman of the Board; provided, however, that at any time when EQT beneficially owns, in the aggregate, at least thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, special meetings of the stockholders of the Corporation for any purpose or purposes may also be called by or at the direction of the Board or the Chairman of the Board at the request of EQT.

**Section 8.3 Annual Meetings of the Stockholders.** An annual meeting of stockholders for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, if any, on such date, and at such time as shall be fixed exclusively by resolution of the Board or a duly authorized committee thereof; provided, that the Board may in its sole discretion determine that any such meeting shall, in addition to or instead of a physical location, be held by means of remote communication (including virtually).

## ARTICLE IX

### **Section 9.1 Competition and Corporate Opportunities.**

(A) In recognition and anticipation that (i) certain directors, principals, officers, employees and/or other representatives of EQT (the "Sponsors") and their respective Affiliates (as defined below) may serve as directors, officers or agents of the Corporation, (ii) the Sponsors and their respective Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation, directly or indirectly, may engage, and (iii) members of the Board who are not employees of the Corporation (the "Non-Employee Directors") and their respective Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Corporation, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Corporation, directly or indirectly, may engage, the provisions of this Article IX are set forth to regulate and define the conduct of certain affairs of the Corporation with respect to certain classes or categories of business opportunities as they may involve any of the Sponsors, the Non-Employee Directors or their respective Affiliates and the powers, rights, duties and liabilities of the Corporation and its directors, officers and stockholders in connection therewith.

(B) None of (i) the Sponsors or any of their respective Affiliates or (ii) any Non-Employee Director (including any Non-Employee Director who serves as an officer of the Corporation in both his or her director and officer capacities) or his or her Affiliates (the Persons (as defined below) identified in (i) and (ii) above being referred to, collectively, as “**Identified Persons**” and, individually, as an “**Identified Person**”) shall, to the fullest extent permitted by law, have any duty to refrain from directly or indirectly (1) engaging in the same or similar business activities or lines of business in which the Corporation or any of its Affiliates now engages or proposes to engage or (2) otherwise competing with the Corporation or any of its Affiliates, and, to the fullest extent permitted by law, no Identified Person shall be liable to the Corporation or its stockholders or to any Affiliate of the Corporation for breach of any fiduciary duty solely by reason of the fact that such Identified Person engages in any such activities. To the fullest extent permitted by law, the Corporation hereby renounces any interest or expectancy in, or right to be offered an opportunity to participate in, any business opportunity that may be a corporate opportunity for an Identified Person and the Corporation or any of its Affiliates, except as provided in Section 9.1(C) of this Article IX. Subject to Section 9.1(C) of this Article IX, in the event that any Identified Person acquires knowledge of a potential transaction or other business opportunity that may be a corporate opportunity for itself, herself or himself and the Corporation or any of its Affiliates, such Identified Person shall, to the fullest extent permitted by law, have no duty to communicate or offer such transaction or other business opportunity to the Corporation or any of its Affiliates and, to the fullest extent permitted by law, shall not be liable to the Corporation or its stockholders or to any Affiliate of the Corporation for breach of any fiduciary duty as a stockholder, director or officer of the Corporation solely by reason of the fact that such Identified Person pursues or acquires such corporate opportunity for itself, herself or himself, or offers or directs such corporate opportunity to another Person.

(C) The Corporation does not renounce its interest in any corporate opportunity offered to any Non-Employee Director (including any Non-Employee Director who serves as an officer of this Corporation) if such opportunity is expressly offered to such person solely in his or her capacity as a director or officer of the Corporation, and the provisions of Section 9.1(B) of this Article IX shall not apply to any such corporate opportunity.

(D) In addition to and notwithstanding the foregoing provisions of this Article IX, a corporate opportunity shall not be deemed to be a potential corporate opportunity for the Corporation if it is a business opportunity that (i) the Corporation is neither financially or legally able, nor contractually permitted to undertake, (ii) from its nature, is not in the line of the Corporation’s business or is of no practical advantage to the Corporation or (iii) is one in which the Corporation has no interest or reasonable expectancy.

(E) For purposes of this Article IX, (i) “Affiliate” shall mean (a) in respect of any of the Sponsors, any Person that, directly or indirectly, is controlled by any of the Sponsors, controls any of the Sponsors or is under common control with any of the Sponsors and shall include any principal, member, director, partner, stockholder, officer, employee or other representative of any of the foregoing (other than the Corporation and any entity that is controlled by the Corporation), (b) in respect of a Non-Employee Director, any Person that, directly or indirectly, is controlled by such Non-Employee Director (other than the Corporation and any entity that is controlled by the Corporation) and (c) in respect of the Corporation, any Person that, directly or indirectly, is controlled by the Corporation; and (ii) “Person” shall mean any individual, corporation, general or limited partnership, limited liability company, joint venture, trust, association or any other entity.

(F) To the fullest extent permitted by law, any Person purchasing or otherwise acquiring any interest in any shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article IX.

## ARTICLE X

**Section 10.1 DGCL Section 203.** The Corporation hereby expressly elects not to be governed by Section 203 of the DGCL.

**Section 10.2 Severability.** If any provision or provisions of this Amended and Restated Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not, to the fullest extent permitted by applicable law, in any way be affected or impaired thereby and (ii) to the fullest extent permitted by applicable law, the provisions of this Amended and Restated Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Amended and Restated Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service to or for the benefit of the Corporation to the fullest extent permitted by law.

**Section 10.3 Forum.**

(A) Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or employee of the Corporation to the Corporation or the Corporation’s stockholders, (iii) any action asserting a claim against the Corporation or any director or officer of the Corporation arising pursuant to any provision of the DGCL or this Amended and Restated Certificate of Incorporation or the Bylaws (as either may be amended and/or restated from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine.

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(B) Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, or the Exchange Act.

(C) To the fullest extent permitted by law, any person purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Section 10.3.

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IN WITNESS WHEREOF, the Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by [ ], its [ ], this day of [ ], 2023.

KODIAK GAS SERVICES, INC.

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page to Amended and Restated Certificate of Incorporation of Kodiak Gas Services, Inc.]



**FORM OF  
AMENDED AND RESTATED  
BYLAWS  
OF  
KODIAK GAS SERVICES, INC.**

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## ARTICLE I

### Offices

**Section 1.01 Registered Office.** The registered office and registered agent of Kodiak Gas Services, Inc. (the “*Corporation*”) in the State of Delaware shall be as set forth in the Amended and Restated Certificate of Incorporation (as defined below). The Corporation may also have offices in such other places in the United States or elsewhere (and may change the Corporation’s registered agent) as the Board of Directors of the Corporation (the “*Board*”) may, from time to time, determine or as the business of the Corporation may require as determined by any officer of the Corporation.

## ARTICLE II

### Meetings of Stockholders

**Section 2.01 Annual Meetings.** Annual meetings of stockholders may be held at such place, if any, either within or without the State of Delaware, and at such time and date as the Board shall determine and state in the notice of meeting. The Board may, in its sole discretion, determine that annual meetings of stockholders shall not be held at any place, but may in addition to or instead be held solely by means of remote communication (including virtually) as described in Section 2.11 in accordance with Section 211(a)(2) of the General Corporation Law of the State of Delaware (the “*DGCL*”). The Board may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board.

**Section 2.02 Special Meetings.** Special meetings of the stockholders may only be called in the manner provided in the Corporation’s certificate of incorporation as then in effect (as the same may be amended and/or restated from time to time, the “*Amended and Restated Certificate of Incorporation*”) and may be held at such place, if any, either within or without the State of Delaware, and at such time and date as the Board or the Chair of the Board or the Chief Executive Officer of the Corporation (the “*Chief Executive Officer*”) shall determine and state in the notice of such meeting. The Board may, in its sole discretion, determine that special meetings of the stockholders shall not be held at any place, but may in addition to or instead be held solely by means of remote communication (including virtually) as described in Section 2.11 of these Amended and Restated Bylaws (these “*Bylaws*”) in accordance with Section 211(a)(2) of the DGCL. The Board may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board or the Chair of the Board or the Chief Executive Officer; provided, however, that with respect to any special meeting of stockholders previously scheduled by the Board or the Chair of the Board at the request of EQT (as defined in the Amended and Restated Certificate of Incorporation), the Board shall not postpone, reschedule or cancel such special meeting without the prior written consent of EQT.

**Section 2.03 Notice of Stockholder Business and Nominations.**

(A) Annual Meetings of Stockholders.

(1) Nominations of persons for election to the Board and the proposal of business other than nominations to be considered by the stockholders may be made at an annual meeting of stockholders only: (a) as provided in the Stockholders' Agreement, dated on or about the date hereof, by and among the Corporation and certain stockholders of the Corporation from time to time party thereto (the "*Stockholders' Agreement*") (with respect to nominations of persons for election to the Board only), (b) pursuant to the Corporation's notice of meeting (or any supplement thereto); (c) by or at the direction of the Board or any duly authorized committee of the Board; or (d) by any stockholder of the Corporation who is entitled to vote at the meeting, who complied with the notice procedures set forth in paragraphs (A)(2) and (A)(3) of this Section 2.03 and who was a stockholder of record at the time such notice is delivered to the Secretary of the Corporation, at the time of the record date of the annual meeting and at the time of the annual meeting; this Section 2.03(A)(1) shall be the exclusive means for a stockholder to make nominations (other than pursuant to clause (a) of this Section 2.03(A)(1)) or submit other business before an annual meeting of stockholders (other than pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "*Exchange Act*").

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder of record pursuant to clause (c) of paragraph (A)(1) of this Section 2.03, the stockholder of record bringing the notice (the "*Noticing Stockholder*") must have delivered timely notice thereof in proper written form to the Secretary of the Corporation and any such proposed business other than nominations of persons for election to the Board must constitute a proper matter for stockholder action or must be otherwise appropriate for stockholder action under the provisions of the laws of the State of Delaware. To be timely, the Noticing Stockholder's notice must be delivered to the Secretary of the Corporation not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, prior to the first anniversary of the date of the Corporation's proxy statement released to stockholders for the preceding year's annual meeting (which date shall, for purposes of the Corporation's first annual meeting of stockholders after its shares of Common Stock (as defined in the Amended and Restated Certificate of Incorporation) are first publicly traded, be deemed to have occurred on [ ], 2023); provided, however, that if the date of the meeting is advanced by more than thirty (30) days, or delayed by more than seventy (70) days from such anniversary date, such notice shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which the public announcement (as defined below) of the date of such meeting is first made by the Corporation. An adjournment, recess, rescheduling or postponement of an annual meeting (or the public announcement of an adjournment, recess, rescheduling or postponement thereof) shall not commence a new time period (or extend any time period) for the giving of a Noticing Stockholder's notice. For the avoidance of doubt, a Noticing Stockholder shall not be entitled to make additional or substitute nominations following the expiration of the time periods set forth in these Bylaws. Notwithstanding anything in this paragraph (A)(2) of this Section 2.03 to the contrary, in the event that the number of directors to be elected to the Board is increased and there is no public announcement by the Corporation naming all of the nominees for director proposed by the Board or specifying the size of the increased Board at least ten days prior to the last day a Noticing Stockholder may deliver a notice of nominations in accordance with the second sentence of this paragraph (A)(2) of this Section 2.03, a Noticing Stockholder's notice required by this Section 2.03(A) shall also be considered timely, but only with respect to proposed nominees for any new positions created by such increase, if it shall be delivered to the Secretary not later than the close of business on the tenth day following the day on which a public announcement of such increase in the number of directors to be elected is first made by the Corporation.

(3) To be in proper written form, such Noticing Stockholder's notice delivered to the Secretary pursuant to this Section 2.03(A) shall set forth:

(a) as to each person whom the Noticing Stockholder proposes to nominate for election or re-election as a director: (i) the name, age and address (business and residential) of such person, (ii) a complete biography and statement of such person's qualifications, including the principal occupation or employment of such person (at present and for the past five years), (iii) the Specified Information (as defined below) for such person and any member of the immediate family of such person, or any Affiliate or Associate (as such terms are defined below) of such person, or any person acting in concert therewith, (iv) (A) a complete and accurate description of all agreements, arrangements and understandings (whether written or oral, and including promises) between each Holder and any Stockholder Associated Person (as such terms are defined below), on the one hand, and such person, on the other hand, including, without limitation, (x) to consult or advise on any investment or potential investment in a publicly listed company (including the Corporation) or (y) to nominate, submit or otherwise recommend (including, without limitation, supporting, advocating for, or otherwise taking action to further the consideration of) such person for appointment (or, for the avoidance of doubt, as a candidate for appointment) to any officer, executive officer or director role of any publicly listed company (including the Corporation) during the past ten years, and (B) a complete and accurate description of the outcome of any situations described pursuant to the foregoing clause (A), (v) whether such person has (A) notified the Board of each publicly listed company at which such person serves as an officer, executive officer or director with respect to such person's proposed nomination for election to the Board, and, (B) as applicable, received all necessary consents to serve on the Board if so nominated and elected or otherwise appointed (or, if any such consents have not been received, how such person intends to address such failure to receive such necessary consents), (vi) whether such person's nomination, election or appointment, as applicable, would violate or contravene a corporate governance policy, including, without limitation, a conflicts of interest or "overboarding" policy of any publicly listed company at which such person serves as an officer, executive officer or director, and, if so, a description of how such person intends to address such violation or contravention, (vii) the first date of contact between any Holder and/or Stockholder Associated Person, on the one hand, and such person, on the other hand, with respect to the Corporation, (viii) the amount and nature of any direct or indirect economic or financial interest, if any, of such person, or of any immediate family member of such person, in any funds or vehicles managed by, under common management with, or affiliated with any Holder or any Stockholder Associated Person, (ix) a complete and accurate description of all direct and indirect compensation and other monetary or non-monetary agreements, arrangements and understandings (whether written or oral) existing presently, that existed during the past three years or were offered during the past three years (whether accepted or declined), and any other material relationships, between or among the Holders or any Stockholder Associated Person, on the one hand, and such person, and any member of the immediate family of such person, and such person's respective Affiliates and Associates, or others acting in concert therewith, or any other person or persons, on the other hand (including the names of such persons) and all biographical, related party transaction and other information that would be required to be disclosed pursuant to the federal and state securities laws, including Rule 404 promulgated under Regulation S-K ("*Regulation S-K*") under the Securities

Act of 1933, as amended (the “*Securities Act*”) (or any successor provision), if any Holder or any Stockholder Associated Person were the “registrant” for purposes of such rule and such person were a director or executive officer of such registrant, (x) information relevant to a determination of whether such person can be considered an independent director, (xi) any other information relating to such person that would be required to be disclosed in a proxy statement or any other filings required to be made in connection with solicitation of proxies for the election of directors in a contested election or that is otherwise required pursuant to and in accordance with Section 14 of the Exchange Act, and the rules and regulations promulgated thereunder (including such person’s written consent to being named in proxy statements as a proposed nominee of the Noticing Stockholder and to serving as a director if elected), and (xii) a completed and signed questionnaire, representation and agreement and any and all other information required by paragraph (A)(3)(e) of this Section 2.03;

(b) as to any other business that the Noticing Stockholder proposes to bring before the meeting: (i) a brief description of the business desired to be brought before the meeting, (ii) the reasons for conducting such business at the meeting, (iii) any material interest of each Holder and each Stockholder Associated Person, if any, in such business, (iv) the text of the proposal or business (including the specific text of any resolutions or actions proposed for consideration and if such business includes a proposal to amend the Certificate of Incorporation or these Bylaws, the specific language of the proposed amendment), and (v) a description of all agreements, arrangements and understandings between each Holder and any Stockholder Associated Person and any other person or persons (including their names) in connection with the proposal of such business by the Noticing Stockholder;

(c) as to the Noticing Stockholder and the beneficial owner, if any, on whose behalf the nomination is made or the other business is being proposed (collectively with the Noticing Stockholder, the “*Holders*” and each a “*Holder*”): (i) the name and address of each Holder, as the name and address appear on the Corporation’s books, and the name and address of each Stockholder Associated Person, if any, (ii) as of the date of the notice (which information, for the avoidance of doubt, shall be updated and supplemented pursuant to paragraph (D)(3) of this Section 2.03), (A) the class or series and number of shares of capital stock of the Corporation which are, directly or indirectly, held of record or owned beneficially by each Holder and any Stockholder Associated Person (provided that, for the purposes of this Section 2.03(A), any such person shall in all events be deemed to beneficially own any shares of stock of the Corporation as to which such person has a right to acquire beneficial ownership at any time in the future (whether such right is exercisable immediately or only after the passage of time or the fulfillment of a condition or both)), (B) any short position, profits interest, option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, or any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to

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settlement in the underlying class or series of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the Holder and any Stockholder Associated Person may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (any of the foregoing, a “*Derivative Instrument*”) directly or indirectly owned or held, including beneficially, by each Holder and any Stockholder Associated Person, (C) a description of any proxy, contract, arrangement, understanding, or relationship pursuant to which each Holder and any Stockholder Associated Person has any right to vote or has granted a right to vote any shares of stock or any other security of the Corporation, (D) any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called “stock borrowing” agreement or arrangement, involving any Holder or any Stockholder Associated Person, on the one hand, and any person acting in concert therewith, on the other hand, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such Holder or any Stockholder Associated Person with respect to any class or series of the shares or other securities of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares or other securities of the Corporation (any of the foregoing, a “*Short Interest*”), and any Short Interest held by each Holder or any Stockholder Associated Person within the last 12 months in any class or series of the shares or other securities of the Corporation, (E) any rights to dividends or payments in lieu of dividends on the shares of the Corporation owned beneficially by each Holder or any Stockholder Associated Person that are separated or separable from the underlying shares of stock or other security of the Corporation, (F) any proportionate interest in shares of stock or other securities of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership or limited liability company or other entity in which any Holder or any Stockholder Associated Person is a general partner or directly or indirectly beneficially owns an interest in a general partner, is the manager, managing member or directly or indirectly beneficially owns an interest in the manager or managing member of a limited liability company or other entity, (G) any performance-related fees (other than an asset-based fee) that each Holder or any Stockholder Associated Person is or may be entitled to based on any increase or decrease in the value of stock or other securities of the Corporation or Derivative Instruments, if any, including without limitation, any such interests held by members of the immediate family sharing the same household of such Holder or any Stockholder Associated Person, (H) any direct or indirect legal, economic or financial interest (including Short Interest) of each Holder and each Stockholder Associated Person, if any, in the outcome of any (x) vote to be taken at any annual or special meeting of stockholders of the Corporation or (y) any meeting of stockholders of any other entity with respect to any matter that is related, directly or indirectly, to any nomination or business proposed by any Holder under these Bylaws, (I) any direct or indirect legal, economic or financial interest or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by each Holder or any Stockholder Associated Person, (J) any direct or indirect interest of each Holder or any Stockholder Associated Person in any contract with the Corporation, any Affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement); and (K) any material pending or threatened action, suit or proceeding (whether civil, criminal,

investigative, administrative or otherwise) in which any Holder or any Stockholder Associated Person is, or is reasonably expected to be made, a party or material participant involving the Corporation or any of its officers, directors or employees, or any Affiliate of the Corporation, or any officer, director or employee of such Affiliate (the information required by this subclause (ii) shall be referred to as the “*Specified Information*”), (iii) a representation by the Noticing Stockholder that such stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting on the matter proposed, that the Noticing Stockholder will continue to be a stockholder of record of the Corporation entitled to vote at such meeting on the matter proposed through the date of such meeting and that such Noticing Stockholder intends to appear in person or by proxy at such meeting to propose such nomination or other business, (iv) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Exchange Act and the rules and regulations promulgated thereunder by each Holder and each Stockholder Associated Person, if any, (v) any other information relating to each Holder and each Stockholder Associated Person, if any, that would be required to be disclosed in a proxy statement and form of proxy or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, (vi) a representation by the Noticing Stockholder as to whether any Holder and/or any Stockholder Associated Person intends or is part of a group which intends: (A) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation’s outstanding capital stock required to elect the proposed nominee or approve or adopt the other business being proposed and/or (B) otherwise to solicit proxies from stockholders in support of such nomination or other business, (vii) a certification by the Noticing Stockholder that each Holder and any Stockholder Associated Person has complied with all applicable federal, state and other legal requirements in connection with its acquisition of shares of capital stock or other securities of the Corporation and/or such person’s acts or omissions as a stockholder of the Corporation, (viii) the statement required by Rule 14a-19(b)(3) of the Exchange Act (or any successor provision) (viii) the names and addresses of other stockholders (including beneficial owners) known by any Holder or Stockholder Associated Person to support such proposal(s) or nomination(s), and to the extent known the class and number of all shares of the Corporation’s capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s), and (ix) a representation by the Noticing Stockholder as to the accuracy of the information set forth in the notice. In addition, any Noticing Stockholder who submits a notice pursuant to this paragraph (A)(3) of this Section 2.03 is required to update and supplement the information disclosed in such notice in accordance with paragraph (D)(3) of this Section 2.03.

(d) The Corporation may also, as a condition to any such nomination or business being deemed properly brought before an annual meeting of stockholders, require any Holder or any proposed nominee to deliver to the Secretary, within five Business Days of any such request, such other information as may reasonably be requested by the Corporation, including (i) such other information as may be reasonably required by the Board, in its sole discretion, to determine (x) the eligibility of such proposed nominee to serve as a director of the Corporation, and (y) whether such proposed nominee qualifies as an “independent director” or “audit committee financial expert” under applicable law, securities exchange rule or regulation, or any publicly disclosed corporate governance guideline or committee charter of the Corporation and (ii) such other information that the Board determines, in its sole discretion, could be material to a reasonable stockholder’s understanding of the independence, or lack thereof, of such proposed nominee.

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(e) In addition to the other requirements of this Section 2.03(A), each person who a Noticing Stockholder proposes to nominate for election or re-election as a director of the Corporation must deliver in writing (in accordance with the time periods prescribed for delivery of notice under this Section 2.03(A)) to the Secretary at the principal executive offices of the Corporation (i) a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such written request) and (ii) a written representation and agreement (in the form provided by the Secretary upon written request of any stockholder of record identified by name within five Business Days of such written request) that such person (A) is not and will not become a party to (x) any agreement, arrangement or understanding (whether written or oral) with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "*Voting Commitment*") that has not been disclosed to the Corporation or (y) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (B) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed to the Corporation, (C) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply with all applicable rules of the exchanges upon which the securities of the Corporation are listed and all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation, and (D) in such person's individual capacity and on behalf of any Holder on whose behalf the nomination is being made, intends to serve a full term if elected as a director of the Corporation.

(B) **Special Meetings of Stockholders.** Only such business (including the election of specific individuals to fill vacancies or newly created directorships on the Board of Directors) shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. At any time that stockholders are not prohibited from filling vacancies or newly created directorships on the Board of Directors, nominations of persons for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting only: (1) as provided in the Stockholders' Agreement, (2) by or at the direction of the Board or any duly authorized committee of the Board; or (3) provided that the Board (or EQT pursuant to Section 8.2 of Article VIII of the Amended and Restated Certificate of Incorporation) has determined that directors shall be elected at such special meeting, by any stockholder of the Corporation who (a) is entitled to vote at the meeting, (b) complies with the notice procedures set forth in this Section 2.03 and (c) is a stockholder of record at the time such notice is delivered to the Secretary of the Corporation, at the time of the record date of the special meeting of stockholders and at the time of the special meeting of stockholders. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, any Noticing



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Stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the Noticing Stockholder's notice as required by paragraphs (A)(2) and (A)(3) of this Section 2.03 shall be delivered to the Secretary of the Corporation in proper written form not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made by the Corporation of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. In no event shall the adjournment, recess, rescheduling or postponement of a special meeting (or the public announcement of an adjournment, recess, rescheduling or postponement thereof) commence a new time period (or extend any time period) for the giving of a Noticing Stockholder's notice as described above.

**(C) General.**

(1) Except for directors who are appointed by the Board pursuant to these Bylaws, only such persons who are nominated in accordance and compliance with the procedures set forth in this Section 2.03 or the Stockholders' Agreement shall be eligible for election to serve as directors at a meeting of stockholders and only such other business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 2.03. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, the Board or Chair of the meeting shall, in addition to making any other determination that may be appropriate for the conduct of the meeting of the Board shall have the power and duty to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws (including whether the Noticing Stockholder or other Holder, if any, on whose behalf the nomination is made or other business is being proposed solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies in support of such Noticing Stockholder's nominee or other business in compliance with such stockholder's representation as required by clause (c)(vi) of paragraph (A)(3) of this Section 2.03). If any proposed nomination or other business was not made or proposed in compliance with these Bylaws, the chair of the meeting of stockholders shall have the power and duty to declare to the meeting that any such nomination or other business was not properly brought before the meeting and in accordance with the provisions of these Bylaws, and that such nomination or other business not properly brought before the meeting shall be disregarded and/or shall not be transacted. Notwithstanding anything to the contrary in these Bylaws, if the Noticing Stockholder (or a qualified representative of the Noticing Stockholder) does not appear at the annual or special meeting, as applicable, to present a nomination or other business, such nomination shall be disregarded and such other business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.03, to be considered a "qualified representative" of the Noticing Stockholder, a person must be authorized by a document authorizing another person or persons to act for such stockholder as proxy at the meeting of stockholders and such person must produce the document or a reliable reproduction of such document at the meeting of stockholders. A stockholder may authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly

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authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such transmission must either set forth or be submitted with information from which it can be determined that the transmission was authorized by the stockholder. If it is determined that such transmissions are valid, the inspectors or, if there are no inspectors, such other persons making that determination shall specify the information upon which such inspectors or such persons relied.

(2) Exchange Act Compliance. Notwithstanding the foregoing provisions of this Section 2.03, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 2.03; provided, however, that any references in these Bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit the requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 2.03. Nothing in these Bylaws shall be deemed to affect any rights (a) of the holders of any class or series of stock having a preference over the Common Stock of the Corporation as to dividends or upon liquidation to elect directors under specified circumstances, or (b) of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or any other applicable federal or state securities law with respect to that stockholder's request to include proposals in the Corporation's proxy statement.

(3) Updates and Supplements. In addition, to be considered timely, a Noticing Stockholder's notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting of stockholders and as of the date that is ten Business Days prior to the meeting of stockholders or any adjournment, recess, rescheduling or postponement thereof, and such update and supplement shall be delivered to the Secretary at the principal executive offices of the Corporation not later than five Business Days after the record date for the meeting of stockholders in the case of the update and supplement required to be made as of the record date, and not later than eight Business Days prior to the date for the meeting of stockholders or any adjournment, recess, rescheduling or postponement thereof in the case of the update and supplement required to be made as of ten Business Days prior to the meeting of stockholders or any adjournment, recess, rescheduling or postponement thereof. In addition, if the Noticing Stockholder has delivered to the Corporation a notice relating to the nomination of directors, the Noticing Stockholder shall deliver to the Corporation not later than eight Business Days prior to the date of the meeting or any adjournment, recess, rescheduling or postponement thereof (or, if not practicable, on the first practicable date prior to the date to which the annual meeting has been adjourned or postponed) reasonable evidence that it has complied with the requirements of Rule 14a-19 of the Exchange Act (or any successor provision). For the avoidance of doubt, the obligation to update and supplement set forth in this paragraph or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business and/or resolutions proposed to be brought before a meeting of the stockholders.

(D) **Certain Definitions; Interpretations.** For purposes of these Bylaws,

(1) "Affiliate" shall have the meaning attributed to such term in Rule 12b-2 under the Exchange Act;

(2) "Associate" shall have the meaning attributed to such term in Rule 12b-2 under the Exchange Act;

(3) "Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York, NY are authorized or obligated by law or executive order to close;

(4) "close of business" on a particular day shall mean 5:00 p.m. local time at the principal executive offices of the Corporation, and if an applicable deadline falls on the close of business on a day that is not a Business Day, then the applicable deadline shall be deemed to be the close of business on the immediately preceding Business Day;

(5) "delivery" of any notice or materials by a stockholder as required to be "delivered" shall mean, both (a) hand delivery, overnight courier service, or by certified or registered mail, return receipt requested, in each case to the Secretary at the principal executive offices of the Corporation, and (b) electronic mail to the Secretary; ¶

(6) "public announcement" shall mean disclosure: (a) in a press release released by the Corporation, provided such press release is released by the Corporation following its customary procedures, as reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or a comparable news service, or is generally available on internet news sites, or (b) in a document publicly filed by the Corporation with the SEC pursuant to Sections 13, 14 or 15(d) of the Exchange Act; and

(7) "Stockholder Associated Person" shall mean, as to any Holder, (a) any person acting in concert with such Holder, (b) any person controlling, controlled by or under common control with such Holder or any of their respective Affiliates and Associates, or person acting in concert therewith, and (c) any member of the immediate family of such Holder or an Affiliate or Associate of such Holder.

(8) For purposes of these Bylaws, the words "include," "includes" or "including" shall be deemed to be followed by the words "without limitation." Where a reference in these Bylaws is made to any statute or regulation, such reference shall be to (1) the statute or regulation as amended from time to time (except as context may otherwise require) and (2) any rules or regulations promulgated thereunder.

(E) Notwithstanding anything to the contrary contained in this Section 2.03, for as long as the Stockholders' Agreement remains in effect with respect to EQT, EQT (to the extent then subject to the Stockholders' Agreement) shall not be subject to the notice procedures set forth in paragraph (A)(2), paragraph (A)(3) or paragraph (B) of this Section 2.03 with respect to any annual or special meeting of stockholders.

**Section 2.04 Notice of Meetings.** Whenever stockholders are required or permitted to take any action at a meeting, a timely notice in writing or by electronic transmission, in the manner provided in Section 232 of the DGCL, of the meeting, which shall state the place, if any, date and

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time of the meeting, the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purposes for which the meeting is called, shall be mailed to or transmitted electronically by the Secretary of the Corporation to each stockholder of record entitled to vote thereat as of the record date for determining the stockholders entitled to notice of the meeting. Unless otherwise provided by law, the Amended and Restated Certificate of Incorporation or these Bylaws, the notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting.

**Section 2.05 Quorum.** Unless otherwise required by law, the Amended and Restated Certificate of Incorporation or the rules of any stock exchange upon which the Corporation's securities are listed, the holders of record of a majority of the voting power of the issued and outstanding shares of capital stock of the Corporation entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of stockholders. Notwithstanding the foregoing, where a separate vote by a class or series or classes or series is required, a majority in voting power of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to the vote on that matter. Once a quorum is present to organize a meeting, it shall not be broken by the subsequent withdrawal of any stockholders.

**Section 2.06 Voting.** Except as otherwise provided by or pursuant to the provisions of the Amended and Restated Certificate of Incorporation, each stockholder entitled to vote at any meeting of the stockholders shall be entitled to one vote for each share of stock held by such stockholder that has voting power upon the matters in question. Each stockholder entitled to vote at a meeting of the stockholders or to express consent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy in any manner provided under Section 212(c) of the DGCL or as otherwise provided under applicable law, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date. Unless required by the Amended and Restated Certificate of Incorporation or applicable law, or determined by the Chair of the meeting to be advisable, the vote on any question need not be by ballot. On a vote by ballot, each ballot shall be signed by the stockholder voting, or by such stockholder's proxy, if there be such proxy. When a quorum is present or represented at any meeting, the vote of the holders of a majority of the voting power of the shares of stock present in person or represented by proxy and entitled to vote on the subject matter shall decide any question brought before such meeting, unless the question is one upon which, by express provision of applicable law, of the rules or regulations of any stock exchange applicable to the Corporation, of any regulation applicable to the Corporation or its securities, of the Amended and Restated Certificate of Incorporation or of these Bylaws, a different vote is required, in which case such express provision shall govern and control the decision of such question. Notwithstanding the foregoing sentence and subject to the Amended and Restated Certificate of Incorporation, all elections of directors shall be determined by a plurality of the votes cast in respect of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

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**Section 2.07 Chair of Meetings.** The Chair of the Board, if one is elected, or, in his or her absence or disability, the President and Chief Executive Officer of the Corporation, or in the absence of the Chair of the Board and the President and Chief Executive Officer, a person designated by the Board shall be the Chair of the meeting and, as such, preside at all meetings of the stockholders.

**Section 2.08 Secretary of Meetings.** The Secretary of the Corporation shall act as secretary at all meetings of the stockholders. In the absence or disability of the Secretary, the Chair of the Board or the President and Chief Executive Officer shall appoint a person to act as Secretary at such meetings.

**Section 2.09 Consent of Stockholders in Lieu of Meeting** Any action required or permitted to be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, without prior notice and without a vote only to the extent permitted by and in the manner provided in the Amended and Restated Certificate of Incorporation and in accordance with applicable law.

**Section 2.10 Adjournment.** At any meeting of stockholders of the Corporation, if less than a quorum be present, the Chair of the meeting or stockholders holding a majority in voting power of the shares of stock of the Corporation, present in person or by proxy and entitled to vote thereat, shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall be present. Any business may be transacted at the adjourned meeting that might have been transacted at the meeting originally noticed. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date so fixed for notice of such adjourned meeting.

**Section 2.11 Remote Communication.** If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders and proxyholders not physically present at a meeting of stockholders may, by means of remote communication:

(A) participate in a meeting of stockholders; and

(B) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication; provided that:

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(1) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxyholder;

(2) the Corporation shall implement reasonable measures to provide such stockholders and proxyholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; and

(3) if any stockholder or proxyholder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

**Section 2.12 Inspectors of Election.** The Corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the Chair of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the Corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors and (v) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

## ARTICLE III

### Board of Directors

**Section 3.01 Powers.** Except as otherwise provided by the Amended and Restated Certificate of Incorporation or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of its Board. The Board may exercise all such authority and powers of the Corporation and do all such lawful acts and things as are not by the DGCL or the Amended and Restated Certificate of Incorporation directed or required to be exercised or done by the stockholders.

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**Section 3.02 Number and Term; Chair.** The number of directors shall be determined as set forth in Article VI, Section 6.1(A) of the Amended and Restated Certificate of Incorporation. Directors shall be elected by the stockholders at their annual meeting, and the term of each director shall be as set forth in the Amended and Restated Certificate of Incorporation. Directors need not be stockholders. The Board shall elect from its ranks a Chair of the Board, who shall have the powers and perform such duties as provided in these Bylaws and as the Board may from time to time prescribe. The Chair of the Board shall preside at all meetings of the Board at which he or she is present. If the Chair of the Board is not present at a meeting of the Board, the President and Chief Executive Officer (if the President and Chief Executive Officer is a director and is not also the Chair of the Board) shall preside at such meeting, and, if the President and Chief Executive Officer is not present at such meeting or is not a director, a majority of the directors present at such meeting shall elect one (1) of their members to preside over such meeting.

**Section 3.03 Resignations.** Any director may resign at any time upon notice given in writing or by electronic transmission to the Board, the Chair of the Board, the President and Chief Executive Officer or the Secretary of the Corporation. The resignation shall take effect at the time or upon the happening of any event specified therein, and if no specification is so made, at the time of its receipt. The acceptance of a resignation shall not be necessary to make it effective unless otherwise expressly provided in the resignation.

**Section 3.04 Removal.** Directors of the Corporation may be removed in the manner provided in the Amended and Restated Certificate of Incorporation and applicable law.

**Section 3.05 Vacancies and Newly Created Directorships.** Except as otherwise provided by law and subject to the Stockholders' Agreement, vacancies occurring in any directorship (whether by death, resignation, retirement, disqualification, removal or other cause) and newly created directorships resulting from any increase in the number of directors shall be filled in accordance with the Amended and Restated Certificate of Incorporation. Any director elected to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall be elected and qualified, or until his or her earlier death, resignation, retirement, disqualification or removal.

**Section 3.06 Meetings.** Regular meetings of the Board may be held at such places and times as shall be determined from time to time by the Board. Special meetings of the Board may be called by the President and Chief Executive Officer of the Corporation or the Chair of the Board, and shall be called by the President and Chief Executive Officer or the Secretary of the Corporation if directed by a majority of the Board and shall be at such places and times as they or he or she shall fix. Notice need not be given of regular meetings of the Board. At least twenty-four (24) hours before each special meeting of the Board, either written notice, notice by electronic transmission or oral notice (either in person or by telephone) notice of the time, date and place of the meeting shall be given to each director; provided, however, that if written notice is given only by United States mail, such notice be deposited in the United States mail, postage prepaid at least five (5) days before such special meeting of the Board. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

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**Section 3.07 Quorum, Voting and Adjournment.** Unless otherwise provided by the Amended and Restated Certificate of Incorporation, a majority of the total number of directors shall constitute a quorum for the transaction of business. Unless otherwise provided in the Amended and Restated Certificate of Incorporation, cumulative voting for the election of directors shall be prohibited. Except as otherwise provided by law, the Amended and Restated Certificate of Incorporation or these Bylaws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. In the absence of a quorum, a majority of the directors present thereat may adjourn such meeting to another time and place. Notice of such adjourned meeting need not be given if the time and place of such adjourned meeting are announced at the meeting so adjourned.

**Section 3.08 Committees; Committee Rules.** The Board may designate one or more committees, including but not limited to an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee, each such committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee to replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided in the resolution of the Board establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; provided that no such committee shall have the power or authority in reference to the following matters: (a) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval or (b) adopting, amending or repealing these Bylaws. Each committee of the Board may fix its own rules of procedure and shall hold its meetings as provided by such rules, except as may otherwise be provided by a resolution of the Board designating such committee. Unless otherwise provided in such a resolution, the presence of at least a majority of the members of the committee shall be necessary to constitute a quorum unless the committee shall consist of one or two members, in which event one member shall constitute a quorum; and all matters shall be determined by a majority vote of the members present at a meeting of the committee at which a quorum is present. Unless otherwise provided in such a resolution, in the event that a member and that member's alternate, if alternates are designated by the Board, of such committee is or are absent or disqualified, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in place of any such absent or disqualified member.

**Section 3.09 Action Without a Meeting.** Unless otherwise restricted by the Amended and Restated Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all members of the Board or any committee thereof, as the case may be, consent thereto in writing or by electronic transmission. After an action is taken, the consent or consents relating thereto shall be filed in the minutes of proceedings of the Board. Such filing shall be in paper form if the minutes are maintained in paper form or shall be in electronic form if the minutes are maintained in electronic form.

**Section 3.10 Remote Meeting.** Unless otherwise restricted by the Amended and Restated Certificate of Incorporation, members of the Board, or any committee designated by the Board, may participate in a meeting by means of conference telephone or other communications equipment in which all persons participating in the meeting can hear each other. Participation in a meeting by means of conference telephone or other communications equipment shall constitute presence in person at such meeting.



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**Section 3.11 Compensation.** The Board shall have the authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

**Section 3.12 Reliance on Books and Records.** A member of the Board, or a member of any committee designated by the Board shall, in the performance of such person's duties, be fully protected in relying in good faith upon records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers or employees, or committees of the Board, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

## ARTICLE IV

### Officers

**Section 4.01 Number.** The officers of the Corporation shall include a President and Chief Executive Officer and a Secretary, each of whom shall be elected by the Board and who shall hold office for such terms as shall be determined by the Board and until their successors are elected and qualify or until their earlier resignation or removal. In addition, the Board may elect one or more Vice Presidents, including one or more Executive Vice Presidents, Senior Vice Presidents, a Treasurer and one or more Assistant Treasurers and one or more Assistant Secretaries, who shall hold their office for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. Any number of offices may be held by the same person.

**Section 4.02 Other Officers and Agents.** The Board may appoint such other officers and agents as it deems advisable, who shall hold their office for such terms and shall exercise and perform such powers and duties as shall be determined from time to time by the Board.

**Section 4.03 President and Chief Executive Officer.** The Chief Executive Officer, who shall also be the President, subject to the determination of the Board, shall have general executive charge, management, and control of the properties and operations of the Corporation in the ordinary course of its business, with all such powers with respect to such properties and operations as may be reasonably incident to such responsibilities. If the Board has not elected a Chair of the Board or in the absence or inability to act as the Chair of the Board, the President and Chief Executive Officer shall exercise all of the powers and discharge all of the duties of the Chair of the Board, but only if the President and Chief Executive Officer is a director of the Corporation.

**Section 4.04 Vice Presidents.** Each Vice President, if any are elected, of whom one or more may be designated an Executive Vice President or Senior Vice President, shall have such powers and shall perform such duties as shall be assigned to him or her by the President and Chief Executive Officer or the Board.

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**Section 4.05 Treasurer.**

(A) The Treasurer shall have custody of the corporate funds, securities, evidences of indebtedness and other valuables of the Corporation and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Board or its designees selected for such purposes. The Treasurer shall disburse the funds of the Corporation, taking proper vouchers therefor. The Treasurer shall render to the President and Chief Executive Officer and the Board, upon their request, a report of the financial condition of the Corporation. If required by the Board, the Treasurer shall give the Corporation a bond for the faithful discharge of his or her duties in such amount and with such surety as the Board shall prescribe.

(B) In addition, the Treasurer shall have such further powers and perform such other duties incident to the office of Treasurer as from time to time are assigned to him or her by the President and Chief Executive Officer or the Board.

**Section 4.06 Secretary.** The Secretary shall: (A) cause minutes of all meetings of the stockholders and directors to be recorded and kept properly; (B) cause all notices required by these Bylaws or otherwise to be given properly; (C) see that the minute books, stock books, and other nonfinancial books, records and papers of the Corporation are kept properly; and (D) cause all reports, statements, returns, certificates and other documents to be prepared and filed when and as required. The Secretary shall have such further powers and perform such other duties as prescribed from time to time by the President and Chief Executive Officer or the Board.

**Section 4.07 Assistant Treasurers and Assistant Secretaries.** Each Assistant Treasurer and each Assistant Secretary, if any are elected, shall be vested with all the powers and shall perform all the duties of the Treasurer and Secretary, respectively, in the absence or disability of such officer, unless or until the President and Chief Executive Officer or the Board shall otherwise determine. In addition, Assistant Treasurers and Assistant Secretaries shall have such powers and shall perform such duties as shall be assigned to them by the President and Chief Executive Officer or the Board.

**Section 4.08 Corporate Funds and Checks.** The funds of the Corporation shall be kept in such depositories as shall from time to time be prescribed by the Board or its designees selected for such purposes. All checks or other orders for the payment of money shall be signed by the President and Chief Executive Officer, a Vice President, the Treasurer or the Secretary or such other person or agent as may from time to time be authorized and with such countersignature, if any, as may be required by the Board.

**Section 4.09 Contracts and Other Documents.** The President and Chief Executive Officer and the Secretary, or such other officer or officers as may from time to time be authorized by the Board or any other committee given specific authority in the premises by the Board during the intervals between the meetings of the Board, shall have power to sign and execute on behalf of the Corporation deeds, conveyances and contracts, and any and all other documents requiring execution by the Corporation.

**Section 4.10 Ownership of Equity Interests or other Securities of Another Entity.** Unless otherwise directed by the Board, the President and Chief Executive Officer, a Vice President, the Treasurer or the Secretary, or such other officer or agent as shall be authorized by the Board, shall have the power and authority, on behalf of the Corporation, to attend and to vote at any meeting of securityholders of any entity in which the Corporation holds securities or equity interests and may exercise, on behalf of the Corporation, any and all of the rights and powers incident to the ownership of such securities or equity interests at any such meeting, including the authority to execute and deliver proxies and consents on behalf of the Corporation.

**Section 4.11 Delegation of Duties.** In the absence, disability or refusal of any officer to exercise and perform his or her duties, the Board may delegate to another officer such powers or duties.

**Section 4.12 Resignation and Removal.** Any officer of the Corporation may be removed from office for or without cause at any time by the Board. Any officer may resign at any time in the same manner prescribed under Section 3.03 of these Bylaws.

**Section 4.13 Vacancies.** The Board shall have the power to fill vacancies occurring in any office.

## ARTICLE V

### Stock

**Section 5.01 Certificated Shares.** The shares of stock of the Corporation shall be represented by certificates; provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of the Corporation's stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Every holder of stock in the Corporation represented by certificates shall be entitled to have a certificate signed by, or in the name of the Corporation by any two authorized officers of the Corporation (it being understood that each of the Chair of the Board or the Vice Chair of the Board, or the President and Chief Executive Officer or a Vice President, and by the Treasurer or an Assistant Treasurer or the Secretary or an Assistant Secretary of the Corporation shall be an authorized officer for such purpose), certifying the number and class of shares of stock of the Corporation owned by such holder. Any or all of the signatures on the certificate may be a facsimile. The Board shall have the power to appoint one or more transfer agents and/or registrars for the transfer or registration of certificates of stock of any class, and may require stock certificates to be countersigned or registered by one or more of such transfer agents and/or registrars.

**Section 5.02 Uncertificated Shares.** If the Board chooses to issue uncertificated shares, the Corporation, if required by the DGCL, shall, within a reasonable time after the issue or transfer of uncertificated shares, send the stockholder a written statement of the information required by the DGCL shall be sent by or on behalf of the Corporation to stockholders entitled to such uncertificated shares. The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates; provided that the use of such system by the Corporation is permitted by applicable law.

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**Section 5.03 Transfer of Shares.** Shares of stock of the Corporation represented by certificates shall be transferable upon its books by the holders thereof, in person or by their duly authorized attorneys or legal representatives, upon surrender to the Corporation by delivery thereof (to the extent evidenced by a physical stock certificate) to the person in charge of the stock and transfer books and ledgers. Certificates representing such shares, if any, shall be cancelled and new certificates, if the shares are to be certificated, shall thereupon be issued. Shares of capital stock of the Corporation that are not represented by a certificate shall be transferred in accordance with any procedures adopted by the Corporation or its agents and applicable law. A record shall be made of each transfer. Whenever any transfer of shares shall be made for collateral security, and not absolutely, it shall be so expressed in the entry of the transfer if, when the certificates are presented to the Corporation for transfer or uncertificated shares requested to be transferred, both the transferor and transferee request the Corporation do so. The Corporation shall have power and authority to make such rules and regulations as it may deem necessary or proper concerning the issue, transfer and registration of certificates representing shares of stock of the Corporation and uncertificated shares.

**Section 5.04 Lost, Stolen, Destroyed or Mutilated Certificates.** A new certificate of stock or uncertificated shares may be issued in the place of any certificate previously issued by the Corporation alleged to have been lost, stolen or destroyed, and the Corporation may, in its discretion, require the owner of such lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond, in such sum as the Corporation may direct, in order to indemnify the Corporation against any claims that may be made against it in connection therewith. A new certificate or uncertificated shares of stock may be issued in the place of any certificate previously issued by the Corporation that has become mutilated upon the surrender by such owner of such mutilated certificate and, if required by the Corporation, the posting of a bond by such owner in an amount sufficient to indemnify the Corporation against any claim that may be made against it in connection therewith.

**Section 5.05 List of Stockholders Entitled to Vote.** The Corporation shall prepare, no later than the tenth day before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of ten days ending on the day before the meeting date (A) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting or (B) during ordinary business hours at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 5.05 or to vote in person or by proxy at any meeting of stockholders.

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**Section 5.06 Fixing Date for Determination of Stockholders of Record**

(A) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(B) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall not be more than sixty (60) days prior to such action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

(C) Unless otherwise restricted by the Amended and Restated Certificate of Incorporation, in order that the Corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board, (i) when no prior action of the Board is required by law, the record date for such purpose shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in accordance with applicable law, and (ii) if prior action by the Board is required by law, the record date for such purpose shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

**Section 5.07 Registered Stockholders.** Prior to the surrender to the Corporation of the certificate or certificates for a share or shares of stock or notification to the Corporation of the transfer of uncertificated shares with a request to record the transfer of such share or shares, the Corporation may treat the registered owner of such share or shares as the person entitled to receive dividends, to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner of such share or shares. To the fullest extent permitted by law, the Corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof.

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## ARTICLE VI

### Notice and Waiver of Notice

**Section 6.01 Notice.** If mailed, notice to stockholders shall be deemed given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation, and if given by any other form, including any form of electronic transmission permitted by the DGCL shall be deemed given as provided in the DGCL. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

**Section 6.02 Waiver of Notice.** A written waiver of any notice, signed by a stockholder or director, or waiver by electronic transmission by such person, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person. Neither the business nor the purpose of any meeting need be specified in such a waiver. Attendance at any meeting (in person or by remote communication) shall constitute waiver of notice except attendance for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened.

## ARTICLE VII

### Indemnification

**Section 7.01 Right to Indemnification.** Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "*proceeding*"), by reason of the fact that he or she is or was a director or an officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee, agent or trustee of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "*indemnitee*"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee, agent or trustee or in any other capacity while serving as a director, officer, employee, agent or trustee, shall be indemnified and held harmless by the Corporation to the fullest extent permitted by Delaware law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that, except as provided in [Section 7.03](#) with respect to proceedings to enforce rights to indemnification or advancement of expenses or with respect to any compulsory counterclaim brought by such indemnitee, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board.

**Section 7.02 Right to Advancement of Expenses** In addition to the right to indemnification conferred in Section 7.01, an indemnitee shall also have the right to be paid by the Corporation the expenses (including attorney's fees) incurred in appearing at, participating in or defending any such proceeding in advance of its final disposition or in connection with a proceeding brought to establish or enforce a right to indemnification or advancement of expenses under this Article VII (which shall be governed by Section 7.03 (hereinafter an "*advancement of expenses*"); provided, however, that, if the DGCL requires or in the case of an advance made in a proceeding brought to establish or enforce a right to indemnification or advancement, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer of the Corporation (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made solely upon delivery to the Corporation of an undertaking (hereinafter an "*undertaking*"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "*final adjudication*") that such indemnitee is not entitled to be indemnified or entitled to advancement of expenses under Section 7.01 and Section 7.02 or otherwise.

**Section 7.03 Right of Indemnitee to Bring Suit** If a claim under Section 7.01 or Section 7.02 is not paid in full by the Corporation within (i) sixty (60) days after a written claim for indemnification has been received by the Corporation or (ii) twenty (20) days after a claim for an advancement of expenses has been received by the Corporation, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim or to obtain advancement of expenses, as applicable. To the fullest extent permitted by law, if the indemnitee is successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the DGCL. Neither the failure of the Corporation (including by its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including by its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VII or otherwise shall be on the Corporation.

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**Section 7.04 Indemnification Not Exclusive.**

(A) The provision of indemnification to or the advancement of expenses and costs to any indemnitee under this Article VII, or the entitlement of any indemnitee to indemnification or advancement of expenses and costs under this Article VII, shall not limit or restrict in any way the power of the Corporation to indemnify or advance expenses and costs to such indemnitee in any other way permitted by law or be deemed exclusive of, or invalidate, any right to which any indemnitee seeking indemnification or advancement of expenses and costs may be entitled under any law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such indemnitee's capacity as an officer, director, employee or agent of the Corporation and as to action in any other capacity.

(1) Given that certain jointly indemnifiable claims (as defined below) may arise due to the service of the indemnitee as a director and/or officer of the Corporation at the request of the indemnitee-related entities (as defined below), the Corporation shall be fully and primarily responsible for the payment to the indemnitee in respect of indemnification or advancement of expenses in connection with any such jointly indemnifiable claims, pursuant to and in accordance with the terms of this Article VII, irrespective of any right of recovery the indemnitee may have from the indemnitee-related entities. Under no circumstance shall the Corporation be entitled to any right of subrogation or contribution by the indemnitee-related entities and no right of advancement or recovery the indemnitee may have from the indemnitee-related entities shall reduce or otherwise alter the rights of the indemnitee or the obligations of the Corporation hereunder. In the event that any of the indemnitee-related entities shall make any payment to the indemnitee in respect of indemnification or advancement of expenses with respect to any jointly indemnifiable claim, the indemnitee-related entity making such payment shall be subrogated to the extent of such payment to all of the rights of recovery of the indemnitee against the Corporation, and the indemnitee shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the indemnitee-related entities effectively to bring suit to enforce such rights. Each of the indemnitee-related entities shall be third-party beneficiaries with respect to this Section 7.04(A), entitled to enforce this Section 7.04(A).

(2) For purposes of this Section 7.04(A), the following terms shall have the following meanings:

(a) The term "*indemnitee-related entities*" means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Corporation or any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise for which the indemnitee has agreed, on behalf of the Corporation or at the Corporation's request, to serve as a director, officer, employee or agent and which service is covered by the indemnity described herein) from whom an indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Corporation may also have an indemnification or advancement obligation.



(b) The term “*jointly indemnifiable claims*” shall be broadly construed and shall include, without limitation, any action, suit or proceeding for which the indemnitee shall be entitled to indemnification or advancement of expenses from both the indemnitee-related entities and the Corporation pursuant to applicable law, any agreement, certificate of incorporation, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Corporation or the indemnitee-related entities, as applicable.

**Section 7.05 Nature of Rights.** The rights conferred upon indemnitees in this Article VII shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of the indemnitee’s heirs, executors and administrators. Any amendment, alteration or repeal of this Article VII that adversely affects any right of an indemnitee or its successors shall be prospective only and shall not limit, eliminate, or impair any such right with respect to any proceeding involving any occurrence or alleged occurrence of any action or omission to act that took place prior to such amendment or repeal.

**Section 7.06 Insurance.** The Corporation may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

**Section 7.07 Indemnification of Employees and Agents of the Corporation** The Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VII with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

## ARTICLE VIII

### Miscellaneous

**Section 8.01 Electronic Transmission.** For purposes of these Bylaws, “*electronic transmission*” means any form of communication, not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

**Section 8.02 Corporate Seal.** The Board may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

**Section 8.03 Fiscal Year.** The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December of each year.

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**Section 8.04 Section Headings.** Section headings in these Bylaws are for convenience of reference only and shall not be given any substantive effect in limiting or otherwise construing any provision herein.

**Section 8.05 Inconsistent Provisions.** In the event that any provision of these Bylaws is or becomes inconsistent with any provision of the Amended and Restated Certificate of Incorporation, the DGCL or any other applicable law, such provision of these Bylaws shall not be given any effect to the extent of such inconsistency but shall otherwise be given full force and effect.

## **ARTICLE IX**

### **Amendments**

**Section 9.01 Amendments.** The Board is authorized to make, repeal, alter, amend and rescind, in whole or in part, these Bylaws without the assent or vote of the stockholders in any manner not inconsistent with the laws of the State of Delaware or the Amended and Restated Certificate of Incorporation. Notwithstanding any other provisions of these Bylaws or any provision of law that might otherwise permit a lesser vote of the stockholders, at any time when EQT beneficially owns, in the aggregate, less than thirty five percent (35%) in voting power of the stock of the Corporation entitled to vote generally in the election of directors, in addition to any vote of the holders of any class or series of capital stock of the Corporation required by the Amended and Restated Certificate of Incorporation (including any certificate of designation relating to any series of Preferred Stock (as defined in the Amended and Restated Certificate of Incorporation), these Bylaws or applicable law, the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of the Corporation entitled to vote thereon, voting together as a single class, shall be required in order for the stockholders of the Corporation to alter, amend, repeal or rescind, in whole or in part, any provision of these Bylaws (including, without limitation, this Section 9.01) or to adopt any provision inconsistent herewith.

**STOCKHOLDERS' AGREEMENT**

**DATED AS OF [•], 2023**

**BETWEEN**

**KODIAK GAS SERVICES, INC.**

**AND**

**FRONTIER TOPCO PARTNERSHIP, L.P**

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## STOCKHOLDERS' AGREEMENT

This Stockholders' Agreement (the "Agreement") is entered into as of [•], 2023 between Kodiak Gas Services, Inc., a Delaware corporation (the "Company"), and Frontier TopCo Partnership, L.P., a Delaware limited partnership (the "Investor").

### RECITALS:

WHEREAS, the Company is currently contemplating an underwritten initial public offering ("IPO") of shares of its Common Stock (as defined below); and

WHEREAS, in connection with the IPO, the Company and the Investor wish to set forth certain understandings between such parties, including with respect to certain governance matters.

NOW, THEREFORE, the parties agree as follows:

### ARTICLE I INTRODUCTORY MATTERS

**1.1 Defined Terms.** In addition to the terms defined elsewhere herein, the following terms have the following meanings when used herein with initial capital letters:

"Affiliate" has the meaning set forth in Rule 12b-2 promulgated under the Exchange Act, as in effect on the date hereof.

"Agreement" has the meaning set forth in the Preamble.

"Beneficially Own" has the meaning set forth in Rule 13d-3 promulgated under the Exchange Act.

"Board" means the board of directors of the Company.

"Board Observer" has the meaning set forth in Section 2.2.

"Change of Control" means: (i) an acquisition by any Person or group of Persons of equity securities of the Company, whether already outstanding or newly issued, in a transaction or series of transactions, if immediately thereafter such Person or group of Persons (other than the Investor or its Affiliates or a wholly-owned Subsidiary of the Company) has, or would have, directly or indirectly, beneficial ownership of fifty percent (50%) or more of the combined equity securities or voting power of the Company; (ii) the sale of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, directly or indirectly, to any Person or group of Persons (other than the Investor, its Affiliates or a wholly-owned Subsidiary of the Company) in a transaction or series of transactions; or (iii) the consummation of a tender offer, merger, recapitalization, consolidation, business combination, reorganization or other transaction, or series of related transactions, involving the Company and any other Person or group of Persons; unless, in the case of clause (iii) of this definition both (1) the existing stockholders, immediately prior to such transaction or the first transaction in such series of transactions, will Beneficially Own more than fifty percent (50%) of the combined equity securities or voting power of the Company (or, if

the Company will not be the surviving entity in such transaction or series of transactions, such surviving entity) immediately after such transaction or series of transactions and (2) individuals who are directors, immediately prior to such transaction or the first transaction in such series of transactions, will be entitled to cast at least a majority of the votes of the Board (or the board of managers or equivalent body of such surviving entity, as the case may be) after the closing of such transaction or series of transactions. As used in this definition of Change of Control, the term “group” shall have the same meaning of such term is used in Rule 13d-5 of the United States Securities Exchange Act of 1934, as amended. For the avoidance of doubt, this definition of Change of Control shall not include an initial public offering.

“Closing Date” means the date of the closing of the IPO.

“Common Stock” means the shares of common stock, par value \$0.01 per share, of the Company, and any other capital stock of the Company into which such stock is reclassified or reconstituted.

“Company” has the meaning set forth in the Preamble.

“Confidential Information” has the meaning set forth in Section 3.3.

“Control” (including its correlative meanings, “Controlled by” and “under common Control with”) means possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise) of a Person.

“Director” means any director of the Company.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Investor” has the meaning set forth in the Preamble.

“IPO” has the meaning set forth in the Recitals.

“Law” means any statute, law, regulation, ordinance, rule, injunction, order, decree, governmental approval, directive, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority.

“Permitted Assigns” means, with respect to the Investor, a Transferee of shares of Common Stock or a Transferee that agrees to become party to, and to be bound to the same extent as its Transferor by the terms of, this Agreement.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or other form of business organization, whether or not regarded as a legal entity under applicable Law, or any Governmental Authority or any department, agency or political subdivision thereof.

“SEC” means the Securities and Exchange Commission.

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which: (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, representatives or trustees thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (ii) if a limited liability company, partnership, association or other business entity, a majority of the total voting power of stock (or equivalent ownership interest) of the limited liability company, partnership, association or other business entity is at the time owned or Controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or Control the managing member, managing director or other governing body or general partner of such limited liability company, partnership, association or other business entity.

“Total Number of Directors” means the total number of directors comprising the Board.

“Transfer” (including its correlative meanings, “Transferor,” “Transferee” and “Transferred”) shall mean, with respect to any security, directly or indirectly, to sell, contract to sell, give, assign, hypothecate, pledge, encumber, grant a security interest in, offer, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any economic, voting or other rights in or to such security. When used as a noun, “Transfer” shall have such correlative meaning as the context may require.

**1.2 Construction.** The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party. Unless the context otherwise requires: (a) “or” is disjunctive but not exclusive, (b) words in the singular include the plural, and in the plural include the singular, and (c) the words “hereof,” “herein,” and “hereunder” and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

## ARTICLE II CORPORATE GOVERNANCE MATTERS

### 2.1 Election of Directors.

(a) Following the Closing Date, the Investor shall have the right (but not the obligation) pursuant to this Agreement to designate or nominate to the Board, (i) two (2) Directors, for so long as the Investor Beneficially Owns, directly or indirectly, thirty-five percent (35%) or more of the voting power of all shares of the Company’s capital stock entitled to vote generally in the election of directors ; and (ii) one (1) Director, for so long as the Investor Beneficially Owns, directly or indirectly, ten percent (10%) or more, but less than thirty-five percent (35%), of the voting power of all shares of the Company’s capital stock entitled to vote generally in the election of directors.

(b) If at any time the Investor has designated fewer than the total number of individuals that the Investor is then entitled to designate pursuant to Section 2.1(a) hereof, the Investor shall have the right to designate such additional individuals which it is entitled to so designate, in which case, any individuals nominated by or at the direction of the Board or any duly-authorized committee thereof for election as Directors to fill any vacancy on the Board shall include such designees, and the Company shall use its best efforts to (x) effect the appointment or election of such additional designees, whether by increasing the size of the Board or otherwise, and (y) cause the appointment or election of such additional designees to fill any such newly-created vacancies or to fill any other existing vacancies. Each such individual whom the Investor shall actually designate pursuant to this Section 2.1 and who is thereafter elected and qualifies to serve as a Director shall be referred to herein as an “Investor Designee.”

(c) So long as the Investor is entitled to designate one or more designees pursuant to Section 2.1(a), the Investor shall have the right to request the removal of any Investor Designee (with or without cause) nominated by the Investor, from time to time and at any time, from the Board, exercisable upon written notice to the Company, and the Company shall take all necessary action to cause such removal.

(d) In the event that a vacancy is created or exists at any time by the death, disability, retirement, removal or resignation of any Investor Designee or as a result of the Investor not yet designating a Person to fill such vacancy or Board seat, any individual nominated by or at the direction of the Board or any duly-authorized committee thereof to fill such vacancy shall be, and the Company shall use its best efforts to cause such vacancy to be filled, as soon as possible, by a new designee of the Investor, and the Company shall take, to the fullest extent permitted by Law, at any time and from time to time, all actions necessary to accomplish the same, including by taking Board action to appoint such Investor Designee to the Board to fill such vacancy.

(e) The Company shall, to the fullest extent permitted by Law, include in the slate of nominees recommended by the Board at any meeting of stockholders called for the purpose of electing directors, the Persons designated pursuant to this Section 2.1 and use its best efforts to cause the election of each such designee to the Board, including nominating each such individual to be elected as a Director as provided herein, recommending such individual's election and soliciting proxies or consents in favor thereof.



(f) In addition to any vote or consent of the Board or the stockholders of the Company required by applicable Law or the certificate of incorporation or bylaws of the Company, and notwithstanding anything to the contrary in this Agreement, for so long as this Agreement is in effect, any action by the Board to increase or decrease the Total Number of Directors (other than any increase in the Total Number of Directors in connection with the election of one or more directors elected exclusively by the holders of one or more classes or series of the Company's stock other than Common Stock) shall require the prior written consent of the Investor, and any increase in the Total Number of Directors shall result in a corresponding increase in the number of Investor Designees the Investor is entitled to designate, appoint, elect or otherwise place on the Board pursuant to Section 2.1(a) hereof as is necessary to maintain the appropriate percentage representation on the Board by the Investor Designees.

**2.2 Observer Rights.** So long as Investor is entitled to designate or nominate to the Board at least one Director pursuant to Section 2.1(a), Investor shall have the right to appoint the number of individuals equal to the number of Directors Investor is so entitled to designate or nominate to attend all meetings of the Board in a non-voting, observer capacity (each, a "Board Observer"). The Board Observer shall be entitled to (i) be given notice by the Company of any meeting of the Board at the same time as the Directors, (ii) be present at all meetings of the Board; (iii) receive copies of all minutes of Board meetings and (iv) receive copies of any reports, minutes or other documents distributed to the Board at the time such materials are given to the Directors. Prior to such appointment, the Board Observer shall cooperate in good faith with the Company to enter into a reasonable and customary confidentiality agreement with respect to confidential materials received by the Board Observer in such person's capacity as such. The Company shall reimburse the Board Observer for all reasonable out-of-pocket expenses (including travel and lodging) incurred in connection with such person's attendance at meetings of the Board.

**2.3 Investor Negative Control Rights.** For so long as the Investor Beneficially Owns thirty-five percent (35%) or more of the outstanding Common Stock, then the following actions shall require the approval of the Investor:

- (a) any increase or decrease in the Total Number of Directors;
- (b) any amendment, restatement, modification or waiver of the certificate of incorporation or bylaws of the Company;
- (c) any entry by the Company or any of its material Subsidiaries into voluntary liquidation, dissolution or commencement of bankruptcy or insolvency proceedings, the adoption of a plan with respect to any of the foregoing or the decision not to oppose any similar proceeding commenced by a third party;
- (d) the consummation of a Change of Control;
- (e) the incurrence by the Company and its Subsidiaries of debt for borrowed money (or liens securing such debt) in excess of \$[•], including incremental incurrences under existing debt facilities;
- (f) any authorization, creation (by way of reclassification, merger, consolidation or otherwise) or issuance in excess of \$[•] of any equity securities of any kind of the Company or its Subsidiaries (other than pursuant to any equity compensation plan of the Company approved by the compensation committee of the Board or the issuance of equity securities of a Subsidiary of the Company to the Company or a wholly-owned Subsidiary of the Company), including any designation of the rights (including special voting rights) of one or more classes of preferred stock of the Company;
- (g) any modification to the Company's dividend policy; and
- (h) any sale, transfer or other disposition of the Company's assets not made in the ordinary course of business in a transaction or series of transactions with a fair market value in excess of \$[•] million.

**2.4 Expense Reimbursement.** The Company and its Subsidiaries shall reimburse the Investor for all reasonable, out-of-pocket fees and expenses incurred in connection with: (a) conducting the activities of the Board and its committees, or (b) material transactions approved by the Board such as public offerings, private placements, financings, amendments to this Agreement, recapitalizations and any transactions that would involve a Change of Control; provided that in the case of clause (b), such fees and expenses shall be reimbursed only if incurred in connection with the modification of Investor's rights and obligations solely as a stockholder and as a result of the consummation of any such material transaction.

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**ARTICLE III  
INFORMATION**

**3.1 Books and Records; Access.** The Company shall, and shall cause its Subsidiaries to, permit the Investor and its respective designated representatives, at reasonable times and upon reasonable prior notice to the Company, to review the books and records of the Company or any of such Subsidiaries and to discuss the affairs, finances and condition of the Company or any of such Subsidiaries with the officers of the Company or any such Subsidiary; provided, however, that the Company shall not be required to disclose any privileged information of the Company so long as the Company has used commercially reasonable efforts to enter into an arrangement pursuant to which it may provide such information to the Investor without the loss of any such privilege.

**3.2 Certain Reports.** The Company shall deliver or cause to be delivered to the Investor, at its request:

(a) As soon as available, but not later than thirty (30) days after the end of each calendar month the Company will provide the Investor a monthly report that will include the following information: (i) a monthly and year-to-date summary unaudited balance sheet and the related statements of income, equity and cash flows of the Company and its consolidated Subsidiaries for such periods with a comparison to the comparable periods' budget, (ii) a summary description of the business activities that took place during such period along with the operating and financial performance of the Company for such monthly period and the year to date, including an explanation of any material discrepancies or variances from the comparable periods' budgets referenced in clause (i), and (iii) such other information as the Investor shall reasonably request; provided, that any information requested pursuant to the foregoing clause (iii) shall be provided as soon as available, but not later than the later of (x) fifteen (15) days from the date of such request or (y) thirty (30) days after the end of such calendar month to which the requested information pertains;

(b) As soon as available, but not later than sixty (60) days after the end of each calendar quarter (excluding each calendar quarter ending December 31), the Company will provide the Investor with the Company's consolidated unaudited balance sheet and the related unaudited statements of income, equity and cash flows as of the end of such immediately preceding calendar quarter, in each case, prepared in accordance with GAAP;

(c) As soon as available, but not later than 105 days after the end of each fiscal year, the Company will provide the Investor with the Company's audited consolidated balance sheet and the related audited consolidated statements of income, equity and cash flows for such fiscal year, such annual financial reports to include notes and to be in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion of an independent public accountant of nationally recognized standing; and

(d) Notwithstanding the foregoing, the Company will be deemed to have delivered such information referred to in this Section 3.2 to the Investor for all purposes of this Agreement if the Company has filed reports containing such information with the SEC via the EDGAR filing system (or any successor system) and such reports are publicly available. In addition, the requirements of this Section 3.2 shall be deemed satisfied and the Company will be deemed to have delivered such information referred to in this Section 3.2 to the Investor for all purposes of this Agreement by the posting of reports that would be required to be provided on the Company's website. The Investor shall have no obligation to monitor whether the Company posts such reports, information and documents on its website or the SEC's EDGAR service, or collect any such information from the Company's website or the SEC's EDGAR service. Further, that, the Investor may request that the Company not provide any of the information required pursuant to clauses (a), (b) and (c) of this Section 3.2 if such information is reasonably expected to contain any material non-public information (within the meaning of U.S. federal securities Laws).

**3.3 Disclosure of Information.** The Investor acknowledges that they shall receive information from or regarding the Company and its Subsidiaries in the nature of trade secrets or that otherwise is confidential information or proprietary information (as further defined below, "Confidential Information"), the release of which would be damaging to the Company or Persons with which the Company conducts business. The Investor shall hold in strict confidence any Confidential Information that it receives pursuant to this Agreement, and the Investor shall not disclose such Confidential Information to any Person (including any Affiliates) other than a Director or officer of the Company, or otherwise use such information for any purpose other than to evaluate, analyze, and keep apprised of the Company's and its Subsidiaries' assets and their interest therein and for the internal use thereof by the Investor or its Affiliates, except for disclosures (i) to comply with any Laws (including applicable stock exchange or quotation system requirements), provided, that the Investor must notify the Company promptly of any disclosure of Confidential Information which is required by Law, and any such disclosure of Confidential Information shall be to the minimum extent required by Law, (ii) to Affiliates, partners, members, stockholders, investors, directors, officers, employees, agents, attorneys, consultants, lenders, professional advisers or representatives of the Investor or its Affiliates (provided, that the Investor shall be responsible for assuring such partners', members', stockholders', investors', directors', officers', employees', agents', attorneys', consultants', lenders', professional advisers' and representatives' compliance with the terms hereof, except to the extent any such Person who is not a partner, member, stockholder, director, officer or employee has agreed in writing addressed to the Company to be bound by customary undertakings with respect to confidential and proprietary information similar to this Section 3.3), or to Persons to which the Investor's holdings of capital stock of the Company is proposed to be Transferred, but only if the recipients of such information have agreed to be bound by customary confidentiality undertakings similar to this Section 3.3, (iii) of information that the Investor also has received from a source independent of the Company and that the Investor reasonably believes such source obtained without breach of any obligation of confidentiality to the Company, (iv) of information obtained prior to the date hereof, (v) that have been or become independently developed by the Investor or its Affiliates or on their behalf without using any of the Confidential Information, (vi) that are or become generally available to the public (other than as a result of a prohibited disclosure by the Investor or its representatives), (vii) in connection with any proposed Transfer of all or part of the Investor's holdings of capital stock of the Company or the proposed sale of all or substantially all of the Investor or its direct or indirect

parent, to (A) advisers or representatives of the Investor, (B) its direct or indirect parent or (C) Persons to which such interests may be Transferred, but only if the recipients of such information have agreed to be bound by customary undertakings with respect to confidential and proprietary information similar to this Section 3.3 or (viii) to the extent the Company shall have consented to such disclosure in writing. The term "Confidential Information" shall include any information pertaining to the Company's or any of its Subsidiaries' business which is not available to the public, whether written, oral, electronic, visual form or in any other media, including, without limitation, such information that is proprietary, confidential or concerning the Company's (or any of its Subsidiaries') ownership and operation of their respective assets or related matters, including any actual or proposed operations or development project or strategies, other operations and business plans, actual or projected revenues and expenses, finances, contracts and books and records. Notwithstanding the foregoing, the Investor and its Affiliates may make disclosures to their respective direct and indirect limited partners and members such information (including Confidential Information) as is customarily provided to current or prospective limited partners in private equity funds sponsored or managed by Affiliates of the Investor. The Investor acknowledges that Confidential Information furnished to it pursuant to this Agreement may include material nonpublic information concerning the Company and its related parties or their respective securities and hereby confirms that it is familiar with the Exchange Act and the rules and regulations promulgated thereunder.

#### ARTICLE IV GENERAL PROVISIONS

**4.1 Termination.** This Agreement shall terminate on the earlier to occur of (i) such time as the Investor is no longer entitled to designate a Director pursuant to Section 2.1(a) hereof and (ii) the delivery of a written notice by the Investor to the Company requesting that this Agreement terminate.

**4.2 Notices.** Any notice, designation, request, request for consent or consent provided for in this Agreement shall be in writing and shall be either delivered by email, personally delivered, mailed first class mail (postage prepaid) or sent by reputable overnight courier service (charges prepaid) to the Company at the address set forth below and to any other recipient at the address indicated on the Company's records, or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party. Notices and other such documents will be deemed to have been given or made hereunder when sent by facsimile (receipt confirmed) delivered personally, five (5) days after deposit in the U.S. mail and one (1) day after deposit with a reputable overnight courier service.

- (a) If to the Company, to:  
Kodiak Gas Services, Inc.  
15320 Highway 105 W, Suite 210  
Montgomery, Texas 77356  
Attention:  
Robert M. McKee, Chief Executive Officer

---

Kelly M. Battle, Executive Vice President, Chief Legal Officer, Chief Compliance Officer and Corporate Secretary

Email:

[mickey@kodiakgas.com](mailto:mickey@kodiakgas.com)

[kelly.battle@kodiakgas.com](mailto:kelly.battle@kodiakgas.com)

with a copy (not constituting notice) to:

Kirkland & Ellis LLP

609 Main Street, Suite 4700

Houston, Texas 77002

Attention: Matthew R. Pacey

Email: [matt.pacey@kirkland.com](mailto:matt.pacey@kirkland.com)

(b) If to the Investor, to:

[•]

with a copy (not constituting notice) to:

Kirkland & Ellis LLP

609 Main Street, Suite 4700

Houston, Texas 77002

Attention: Matthew R. Pacey

Email: [matt.pacey@kirkland.com](mailto:matt.pacey@kirkland.com)

**4.3 Amendment; Waiver.** This Agreement may be amended, supplemented or otherwise modified only by a written instrument executed by the Investor and the Company. Neither the failure nor delay on the part of any party hereto to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege, nor shall any waiver of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

**4.4 Further Assurances.** The parties hereto will sign such further documents, cause such meetings to be held, resolutions passed, exercise their votes and do and perform and cause to be done such further acts and things necessary, proper or advisable in order to give full effect to this Agreement and every provision hereof. To the fullest extent permitted by Law, the Company shall not directly or indirectly take any action that is intended to, or would reasonably be expected to result in, the Investor being deprived of the rights contemplated by this Agreement.

**4.5 Assignment.** This Agreement will inure to the benefit of and be binding on the parties hereto and their respective successors and Permitted Assigns. This Agreement may not be assigned without the express prior written consent of the other parties hereto, and any attempted assignment, without such consents, will be null and void; provided, however, that, without the prior written consent of the Company, the Investor may assign this Agreement, in whole or in part, to any of its Permitted Assigns.

**4.6 Third Parties.** This Agreement does not create any rights, claims or benefits inuring to any person that is not a party hereto nor create or establish any third party beneficiary hereto.

**4.7 Governing Law.** This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, without regard to principles of conflicts of Laws thereof.

**4.8 Jurisdiction; Waiver of Jury Trial.** In any judicial proceeding involving any dispute, controversy or claim arising out of or relating to this Agreement, each of the parties unconditionally accepts the jurisdiction and venue of the courts of the State of Delaware or if jurisdiction over the matter is vested exclusively in federal courts, the United States District Court for the District of Delaware, and the appellate courts to which orders and judgments thereof may be appealed. In any such judicial proceeding, the parties agree that in addition to any method for the service of process permitted or required by such courts, to the fullest extent permitted by Law, service of process may be made by delivery provided pursuant to the directions in Section 4.2 hereof. EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING ANY DISPUTE, CONTROVERSY OR CLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

**4.9 Specific Performance.** Each party hereto acknowledges and agrees that in the event of any breach of this Agreement by any of them, the other parties hereto would be irreparably harmed and could not be made whole by monetary damages. Each party accordingly agrees to waive the defense in any action for specific performance that a remedy at Law would be adequate and agrees that the parties, in addition to any other remedy to which they may be entitled at Law or in equity, shall be entitled to specific performance of this Agreement without the posting of bond.

**4.10 Entire Agreement.** This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. There are no agreements, representations, warranties, covenants or understandings with respect to the subject matter hereof or thereof other than those expressly set forth herein and therein. This Agreement supersedes all other prior agreements and understandings between the parties with respect to such subject matter.

**4.11 Severability.** If any provision of this Agreement, or the application of such provision to any Person or circumstance or in any jurisdiction, shall be held to be invalid or unenforceable to any extent, (i) the remainder of this Agreement shall not be affected thereby, and each other provision hereof shall be valid and enforceable to the fullest extent permitted by Law, (ii) as to such Person or circumstance or in such jurisdiction such provision shall be reformed to be valid and enforceable to the fullest extent permitted by Law, and (iii) the application of such provision to other Persons or circumstances or in other jurisdictions shall not be affected thereby.

**4.12 Table of Contents, Headings and Captions.** The table of contents, headings, subheadings and captions contained in this Agreement are included for convenience of reference only, and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

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**4.13 Counterparts.** This Agreement and any amendment hereto may be signed in any number of separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one Agreement (or amendment, as applicable).

**4.14 Effectiveness.** This Agreement shall become effective upon the Closing Date.

**4.15 No Recourse.** This Agreement may only be enforced against, and any claims or cause of action that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement may only be made against the entities that are expressly identified as parties hereto and no past, present or future Affiliate, director, officer, employee, incorporator, member, manager, partner, stockholder, agent, attorney or representative of any party hereto shall have any liability for any obligations or liabilities of the parties to this Agreement or for any claim based on, in respect of, or by reason of, the transactions contemplated hereby.

*[Remainder of Page Intentionally Left Blank]*

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

**COMPANY:**

**KODIAK GAS SERVICES, INC.**

By: \_\_\_\_\_  
Name: Robert M. McKee  
Title: Chief Executive Officer

*Signature Page to Kodiak Gas Services, Inc. Stockholders' Agreement*



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**FRONTIER TOPCO PARTNERSHIP, L.P.**

**By: Frontier Topco GP, LLC, its general partner**

By: \_\_\_\_\_

Name:

Title:

*Signature Page to Kodiak Gas Services, Inc. Stockholders' Agreement*

**REGISTRATION RIGHTS AGREEMENT**

This Registration Rights Agreement (as may be amended, restated, supplemented or otherwise modified from time to time, this "Agreement") is dated as of [•], 2023, by and among Kodiak Gas Services, Inc., a Delaware corporation (the "Company"), the undersigned holders of Registrable Securities (as defined below), and such other holders of Registrable Securities that join this Agreement pursuant to the provisions herein. Such holders of Registrable Securities party hereto are collectively referred to herein as the "Holders."

**ARTICLE I  
DEFINITIONS**

In this Agreement:

"Affiliate" has the meaning ascribed thereto in Rule 12b-2 promulgated under the Exchange Act, as in effect on the date hereof.

"Agreement" has the meaning set forth in the Preamble.

"Business Day" means a day other than a Saturday, Sunday, or other day on which commercial banks are authorized or required by applicable law to be closed in New York, New York.

"Common Stock" means the shares of common stock, par value \$0.01 per share, of the Company, and any other capital stock of the Company into which such common stock is reclassified or reconstituted.

"Company" has the meaning set forth in the Preamble.

"Control" (including its correlative meanings, "Controlled by" and "under common Control with") means possession, directly or indirectly, of the power to direct or cause the direction of management or policies (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise) of a Person.

"Demand Notice" has the meaning set forth in Section 2.1(a) hereof.

"EQT" means Frontier TopCo Partnership, L.P. and its Affiliates and their respective successors and permitted assigns.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

"FINRA" means the Financial Industry Regulatory Authority, Inc.

"Holders" has the meaning set forth in the Preamble.

"Initial Public Offering" means a transaction or action pursuant to which the Shares of Common Stock are first listed on a national securities exchange in the United States.

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“Lock-Up Period” has the meaning set forth in the underwriting agreement entered into in connection with the Company’s Initial Public Offering.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, a cooperative, an unincorporated organization, or other form of business organization, whether or not regarded as a legal entity under applicable law, or any governmental authority or any department, agency or political subdivision thereof.

“Potential Participant” has the meaning set forth in Section 2.6.

“Recognized Exchange” means The New York Stock Exchange or the Nasdaq Stock Market.

“Registrable Securities” means the Shares held by the Holders as of the date hereof and hereinafter acquired by the Holders from time to time; provided, however, that Registrable Securities shall cease to be Registrable Securities when: (i) a registration statement covering the resale of such Registrable Securities has been declared effective under the Securities Act by the SEC and such Registrable Securities have been disposed of pursuant to such effective registration statement; (ii) such Registrable Securities have been sold pursuant to Rule 144 or Rule 145 (or any successor rules or regulations then in force) under the Securities Act and the transferee thereof reasonably notifies the Company that it did not receive “restricted securities” as defined in Rule 144; or (iii) such Registrable Securities cease to be outstanding (or issuable upon exchange).

“Registration Expenses” means any and all expenses incurred in connection with the performance of or compliance with this Agreement, including:

(a) all SEC, stock exchange, or FINRA registration and filing fees (including, if applicable, the fees and expenses of any “qualified independent underwriter,” as such term is defined in Rule 5121 of FINRA, and of its counsel);

(b) all fees and expenses of complying with securities or blue sky laws (including fees and disbursements of counsel for the underwriters in connection with blue sky qualifications of the Registrable Securities);

(c) all printing, messenger and delivery expenses;

(d) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange or FINRA and all rating agency fees;

(e) the reasonable fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits and/or comfort letters required by or incident to such performance and compliance (including, without limitation, any such audits and comfort letters relating to financial statements pursuant to Rule 3-05 of Regulation S-X and Article 11 thereunder);

(f) any fees and disbursements of underwriters customarily paid by the issuers or sellers of Securities, including liability insurance if the Company so desires or if the underwriters so require, and the reasonable fees and expenses of any special experts retained in connection with the requested registration, but, for the avoidance of doubt, excluding underwriting fees, discounts, selling commissions and transfer taxes;

(g) the reasonable fees and out-of-pocket expenses of not more than one law firm (as selected by EQT, if it is participating in such registration, and otherwise by Holders of a majority of the Registrable Securities included in such registration) incurred by all the Holders in connection with the registration;

(h) the costs and expenses of the Company relating to analyst and investor presentations or any “road show” undertaken in connection with the registration and/or marketing of the Registrable Securities (including the reasonable out-of-pocket expenses of the Holders to the extent the Holders are invited to participate by the Company); and

(i) any other fees and disbursements customarily paid by the issuers of Securities.

“SEC” means the U.S. Securities and Exchange Commission or any successor agency.

“Securities” means capital stock, limited partnership interests, limited liability company interests, beneficial interests, warrants, options, notes, bonds, debentures, and other securities, equity interests, ownership interests and similar obligations of every kind and nature of any Person.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, as the same may be amended from time to time.

“Shares” means shares of Common Stock of the Company and any other equity interests of the Company or equity interests in any successor of the Company issued in respect of such shares by reason of or in connection with any stock dividend, stock split, combination, reorganization, recapitalization, conversion to another type of entity or similar event involving a change in the capital structure of the Company.

“Subsidiary” means, with respect to any Person, any corporation, limited liability company, partnership, association or other business entity of which: (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, representatives or trustees thereof is at the time owned or Controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; or (ii) if a limited liability company, partnership, association or other business entity, a majority of the total voting power of stock (or equivalent ownership interest) of the limited liability company, partnership, association or other business entity is at the time owned or Controlled, directly or indirectly, by any Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or Control the managing director or general partner of such limited liability company, partnership, association or other business entity.

“Underwritten Block Trade” has the meaning set forth in [Section 2.6](#).

“WKSI” means a well-known seasoned issuer, as defined in Rule 405 under the Securities Act.

## ARTICLE II DEMAND AND PIGGYBACK RIGHTS

### **2.1 Right to Demand a Non-Shelf Registered Offering.**

(a) Upon the written demand of EQT made at any time and from time to time, in each case, after the expiration of the Lock-Up Period (a “Demand Notice”), the Company will facilitate in the manner described in this Agreement a non-shelf registered offering of the Registrable Securities requested by EQT to be included in such offering, provided, that (i) the market value, based on the closing price of the Common Stock on the Business Day immediately preceding the date of the Demand Notice, of the aggregate amount of Registrable Securities requested to be included in such non-shelf registered offering is at least \$10 million, and (ii) the Company shall not be obligated to effect more than four such non-shelf registered offering demands in any twelve-month period.

(b) Any demanded non-shelf registered offering pursuant to [Section 2.1\(a\)](#) may, at the Company’s option, include Shares to be sold by the Company for its own account and will also include Registrable Securities to be sold by Holders that exercise their related piggyback rights pursuant to [Section 2.2](#) hereof and any other Registrable Securities to be sold by the holders of registration rights granted other than pursuant to this Agreement exercising such rights, in each case, to the extent exercising such rights on a timely basis. In order to be valid, the Demand Notice must provide the information described in [Section 3.1](#) hereof (if applicable) and [Section 4.6](#) hereof or be followed by such information, when requested as contemplated by [Section 4.6](#) hereof.

(c) Without limiting any other obligations of the Company hereunder, as soon as reasonably practicable, but in no event later than 30 days after receiving a valid Demand Notice satisfying the criteria set forth in this [Section 2.1](#), the Company shall use its commercially reasonable efforts to file with the SEC a registration statement covering all of the Registrable Securities covered by such Demand Notice as well as any other Registrable Securities as to which registration is properly requested in accordance with [Section 2.2](#) hereof (which other Registrable Securities may be included by means of a pre-effective amendment) and any other registrable securities properly requested in accordance with other registration rights agreements with the Company, but subject in each case to any cutbacks imposed in accordance with [Section 3.5](#) hereof and the limitations set forth in [Section 2.5](#) hereof. Notwithstanding anything to the contrary herein, any such registration statement filed pursuant to this Section 2.1 shall, upon the request of the demanding Holders, permit resales of Registrable Securities on a delayed or continuous basis in accordance with Rule 415 under the Securities Act and not require an underwritten offering.

**2.2 Right to Piggyback on a Non-Shelf Registered Offering.** In connection with any registered offering of Shares covered by a non-shelf registration statement after the Company's Initial Public Offering (whether pursuant to the exercise of demand rights or at the initiative of the Company), the Holders may exercise piggyback rights to have included in such offering, Registrable Securities held by them, subject in each case to any cutbacks imposed in accordance with Section 3.5 hereof and the limitations set forth in Section 2.5 hereof. The Company will facilitate in the manner described in this Agreement any such non-shelf registered offering.

**2.3 Right to Demand and be Included in a Shelf Registration.** Upon the demand of EQT made at any time and from time to time following the Lock-Up Period, to register Shares for resale on a delayed or continuous basis in accordance with Rule 415 under the Securities Act, the Company will facilitate in the manner described in this Agreement a shelf registration of Registrable Securities held by all of the Holders. Promptly upon receiving any such demand (but in no event more than 30 days (with respect to Form S-1) or 15 days (with respect to a Form S-3) after receipt of a demand for such registration), the Company shall use its commercially reasonable efforts to file a registration statement on Form S-3 relating to such demand (or if the Company is not then eligible to use Form S-3, such registration shall be on Form S-1, which Form S-1 shall be converted to a Form S-3 at such time as the Company becomes so eligible). Any shelf registration filed pursuant to this Section 2.3 by the Company covering Shares will cover all Registrable Securities held by each of the Holders (and with respect to any particular Holder, subject to such Holder's compliance with Section 4.6). If at the time of such request the Company is eligible for WKSJ status, such shelf registration shall be an automatic shelf registration statement on Form S-3. The Company shall cause such registration statement filed pursuant to this Section 2.3 to remain effective thereafter until such time as there are no longer any Registrable Securities.

**2.4 Demand and Piggyback Rights for Shelf Takedowns.** Upon the demand of EQT made at any time and from time to time after a shelf registration statement filed pursuant to Section 2.3 above has become effective, the Company will facilitate in the manner described in this Agreement an underwritten offering of Registrable Securities off of such effective shelf registration statement, provided, that the aggregate anticipated offering price of such underwritten offering is at least \$10 million. In connection with any underwritten shelf takedown (whether pursuant to the exercise of such demand rights by any of the Holders or at the initiative of the Company), the Holders may exercise piggyback rights to have included in such takedown Registrable Securities held by them that are registered on such shelf registration. The Company shall not be obligated to effect more than four such underwritten offerings in any twelve-month period.

**2.5 Limitations on Demand and Piggyback Rights.**

(a) Any demand for the filing of a registration statement or for a registered offering or takedown, and the exercise of any piggyback registration rights, will be subject to the constraints of any applicable lockup arrangements, and any such demand must be deferred until such lockup arrangements no longer apply. If a demand has been made for a non-shelf registered offering or for an underwritten takedown, no further demands may be made so long as the related offering is still being pursued. Notwithstanding anything in this Agreement to the contrary, the Holders will not have piggyback or other registration rights with respect to the following registered primary offerings by the Company: (i) a registration relating solely to employee benefit plans; (ii) a registration on Form S-4 or S-8 (or other similar successor forms then in effect under the Securities Act); (iii) a registration pursuant to which the Company is offering to exchange its own

Securities for other Securities; (iv) a registration statement relating solely to dividend reinvestment or similar plans; (v) a shelf registration statement pursuant to which only the initial purchasers and subsequent transferees of debt securities of the Company or any Subsidiary that are convertible for common equity and that are initially issued pursuant to Rule 144A and/or Regulation S of the Securities Act may resell such notes and sell the common equity into which such notes may be converted; (vi) a registration where the Registrable Securities are not being sold for cash; (vii) an exchange registration; or (viii) a registration of Securities where the offering is a *bona fide* offering of debt securities, even if such Securities are convertible into or exchangeable or exercisable for Shares.

(b) The Company may postpone the filing of a demanded registration statement or suspend the effectiveness of any shelf registration statement for a “blackout period” not in excess of 90 days if the board of directors of the Company (the “Board”) determines in good faith that such registration or offering could (i) materially interfere with a *bona fide* business, reorganization, acquisition or divestiture or financing transaction of the Company or its Subsidiaries; (ii) require disclosure of material non-public information that the Company has a *bona fide* business purpose for preserving as confidential; or (iii) be reasonably likely to require premature disclosure of information, the premature disclosure of which could materially and adversely affect the Company; provided, that, the Company shall not delay the filing of any demanded registration statement more than once in any 12-month period (except that the Company shall be able to use this right more than once in any 12-month period if the Company is exercising such right during the 15-day period prior to the Company’s regularly scheduled quarterly earnings announcement and the total number of days of postponement in such 12-month period does not exceed 90 days). The blackout period will end upon the earlier to occur of, (i) in the case of *bona fide* business, acquisition or divestiture or financing transaction, a date not later than 90 days from the date such deferral commenced, and (ii) in the case of disclosure of non-public information, the earlier to occur of (x) the filing by the Company of its next succeeding Annual Report on Form 10-K or Quarterly Report on Form 10-Q, or (y) the date upon which such information otherwise is disclosed or becomes public knowledge.

**2.6 Block Trades.** If EQT desires to engage in an underwritten block trade or bought deal pursuant to a shelf registration statement (either through filing an automatic shelf registration statement or through a take-down from an already existing shelf registration statement) (each, an “Underwritten Block Trade”), then, notwithstanding the time periods set forth in Section 2.1(c), EQT shall notify the Company of the Underwritten Block Trade not less than three (3) Business Days prior to the day such offering is first anticipated to commence. The Company will use its commercially reasonable efforts to promptly notify the other Holders of such Underwritten Block Trade at the address provided in writing to the Company prior to such trade and such notified Holders (each, a “Potential Participant”) may elect whether or not to participate no later than the next Business Day (i.e. two (2) Business Days prior to the day such offering is to commence) (unless a longer period is agreed to by EQT), and the Company will as expeditiously as possible use its commercially reasonable efforts to facilitate such Underwritten Block Trade (which may close as early as two (2) Business Days after the date it commences). The Holders wishing to engage in the Underwritten Block Trade shall, to the extent practicable, use commercially reasonable efforts to work with the Company and any underwriters in order to facilitate preparation of any registration statement, prospectus and other offering documentation related to the Underwritten Block Trade. Any Potential Participant’s request to participate in an Underwritten Block Trade shall be binding on the Potential Participant. Notwithstanding anything to the contrary in this Agreement, any Underwritten Block Trade requested hereunder must be for an aggregate expected proceeds of at least \$10 million.

**ARTICLE III**  
**NOTICES, CUTBACKS AND OTHER MATTERS**

**3.1 Notifications Regarding Registration Statements.** In order for EQT to exercise its right to demand pursuant to Article II that a registration statement be filed, EQT must include in such Demand Notice the number of Registrable Securities sought to be registered and the proposed plan of distribution.

**3.2 Notifications Regarding Registration Piggyback Rights.**

(a) In the event that the Company receives (i) any demand pursuant to Section 2.1 hereof, or (ii) if the Company proposes to file a registration statement with respect to any other non-shelf registered offering (for its own account or for the account of other third parties), the Company will promptly give to each of the Holders a written notice thereof no later than 5:00 p.m., New York City time, (x) in the case of clause (i), on the fifth Business Day following receipt by the Company of such demand or (y) in the case of clause (ii), ten (10) Business Days prior to the proposed filing date of such registration statement. Any Holder wishing to exercise its piggyback rights with respect to any such non-shelf registration statement must notify the Company and the other Holders of the number of Registrable Securities it seeks to have included in such registration statement in a written notice. Such notice must be given as soon as practicable, but in no event later than 5:00 p.m., New York City time, on the fifth Business Day prior to the date on which the preliminary prospectus intended to be used in connection with pre-effective marketing efforts for the relevant offering is expected to be finalized.

(b) Pending any required public disclosure and subject to applicable legal requirements, the parties will maintain confidentiality of their discussions regarding a prospective non-shelf registration.

**3.3 Notifications Regarding Demanded Underwritten Takedowns.**

(a) The Company will keep the Holders reasonably apprised of all pertinent aspects of any underwritten shelf takedown demanded by any other Holders in order that Holders may have a reasonable opportunity to exercise their related piggyback rights. Without limiting the Company's obligation as described in the preceding sentence, having a reasonable opportunity requires that the Holders be notified by the Company of an anticipated underwritten takedown (whether pursuant to a demand made by Holders or made at the Company's own initiative) no later than 5:00 p.m., New York City time, on (i) if applicable, the second Business Day prior to the date on which the preliminary prospectus or prospectus supplement intended to be used in connection with pre-pricing marketing efforts for such takedown is finalized, and (ii) in all other cases, the second Business Day prior to the date on which the pricing of the relevant takedown occurs.

(b) Any Holder wishing to exercise its piggyback rights with respect to an underwritten shelf takedown must notify the Company and the other Holders of the number of Registrable Securities it seeks to have included in such takedown. Such notice must be given as soon as practicable, but in no event later than 5:00 p.m., New York City time, on (i) if applicable, the Business Day prior to the date on which the preliminary prospectus or prospectus supplement intended to be used in connection with marketing efforts for the relevant offering is expected to be finalized, and (ii) in all other cases, the Business Day prior to the date on which the pricing of the relevant takedown occurs.



(c) Pending any required public disclosure and subject to applicable legal requirements, the parties will maintain confidentiality of their discussions regarding a prospective underwritten takedown.

**3.4 Plan of Distribution, Underwriters and Advisors** If a majority of the Registrable Securities proposed to be sold in an underwritten offering through a non-shelf registration statement or through a shelf takedown is being sold by the Company for its own account, the Company will be entitled to determine the plan of distribution and select the managing underwriters and any provider of advisory services for such offering. Otherwise, Holders holding a majority of the Shares requested to be included will be entitled to determine the plan of distribution and select the managing underwriters and any provider of advisory services; provided, that, such investment banker or bankers, managers and providers of advisory services shall be reasonably satisfactory to the Company.

**3.5 Cutbacks.** If the managing underwriters advise the Company and the selling Holders that, in their opinion, the number of Registrable Securities requested to be included in an underwritten offering exceeds the amount that can be sold in such offering without adversely affecting the distribution of the Registrable Securities being offered, the price that will be paid in such offering or the marketability thereof, such offering will include only the number of Registrable Securities that the underwriters advise can be sold in such offering in the following order of priority:

(a) If such underwritten offering is initiated by the Holders pursuant to Article II, then, with respect to each class proposed to be registered:

(1) *first*, the Registrable Securities beneficially owned by Holders requested to be included in such demand registration, allocated *pro rata* among the respective Holders beneficially owning such Registrable Securities on the basis of the number of Registrable Securities beneficially owned by each such Holder;

(2) *second*, any Securities to be sold by the Company for its own account; and

(3) *third*, other Securities held by third parties requested to be included in such demand registration pursuant to registration rights granted to such third party holder.

(b) If such underwritten offering is initiated by the Company, then, with respect to each class proposed to be registered:

(1) *first*, any Securities to be sold by the Company for its own account;

(2) *second*, the Registrable Securities beneficially owned by Holders requested to be included, allocated pro rata among the respective Holders beneficially owning such Registrable Securities on the basis of the number of Registrable Securities beneficially owned by each such Holder; and

(3) *third*, other Securities held by third parties requested to be included pursuant to registration rights granted to such third party holder.

(c) If such underwritten offering is initiated by any third party holder, then, with respect to each class proposed to be registered:

(1) *first*, Securities held by third parties requested to be included pursuant to registration rights granted to such third party holder;

(2) *second*, the Registrable Securities beneficially owned by Holders requested to be included, allocated pro rata among the respective Holders beneficially owning such Registrable Securities on the basis of the number of Registrable Securities beneficially owned by each such Holder; and

(3) *third*, any Securities to be sold by the Company for its own account.

**3.6 Withdrawals.** Even if Registrable Securities held by a Holder have been part of a registered underwritten offering, such Holder may, no later than the time at which the public offering price and underwriters' discount are determined with the managing underwriter, decline to sell all or any portion of the Registrable Securities being offered for its account .

**3.7 Lockups.** In connection with any underwritten offering of Shares, the Company, each of the Company's directors and officers, and each Holder participating in such offering will agree (in the case of Holders, with respect to all Shares respectively beneficially owned by them) to be bound by the lockup restrictions required by the underwriting agreement (which must apply in similar manner to all of them) that are agreed to by the Company.

#### **ARTICLE IV FACILITATING REGISTRATIONS AND OFFERINGS**

**4.1 General.** If the Company becomes obligated under this Agreement to facilitate a registration and offering of Registrable Securities on behalf of Holders, the Company will do so with the same degree of care and dispatch as would reasonably be expected in the case of a registration and offering by the Company of Securities for its own account. Without limiting this general obligation, the Company will fulfill its specific obligations as described in this Article IV.

**4.2 Registration Statements.** In connection with each registration statement that is demanded by Holders in accordance with this Agreement or as to which piggyback rights otherwise apply, the Company will use commercially reasonable efforts to:

(a) (i) prepare and file with the SEC a registration statement on the appropriate form covering the applicable Registrable Securities, (ii) file amendments thereto as warranted, (iii) seek the effectiveness thereof as soon as practicable, and (iv) file with the SEC prospectuses and prospectus supplements as may be required, all in consultation with EQT (or if EQT does not have or no longer has securities included in such registration, the other Holders) and as reasonably necessary in order to permit the offer and sale of such Registrable Securities in accordance with the applicable plan of distribution;

(b) (i) within a reasonable time prior to the filing of any registration statement, any prospectus, any amendment to a registration statement, amendment or supplement to a prospectus or any free writing prospectus (in each case including all exhibits filed therewith), provide copies of such documents to the selling Holders and to the underwriter or underwriters of an underwritten offering, if applicable, and to their respective counsel; fairly consider such reasonable changes in any such documents prior to or after the filing thereof as the counsel to the Holders or the underwriter or the underwriters may request; and make such of the representatives of the Company as shall be reasonably requested by the selling Holders or any underwriter available for discussion of such documents; and (ii) within a reasonable time prior to the filing of any document which is to be incorporated by reference into a registration statement or a prospectus, provide copies of such document to counsel for the Holders and underwriters; fairly consider such reasonable changes in such document prior to or after the filing thereof as counsel for such Holders or such underwriter shall request; and make such of the representatives of the Company as shall be reasonably requested by such counsel available for discussion of such document;

(c) use all reasonable efforts to cause each registration statement and the related prospectus and any amendment or supplement thereto, as of the effective date of such registration statement, amendment or supplement and during the distribution of the registered Registrable Securities (x) to comply in all material respects with the requirements of the Securities Act (including the rules and regulations promulgated thereunder) and (y) not to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading;

(d) notify each Holder as soon as reasonably practicable, and, if requested by such Holder, confirm such advice in writing, (i) when a registration statement has become effective and when any post-effective amendments and supplements thereto become effective if such registration statement or post-effective amendment is not automatically effective upon filing pursuant to Rule 462 under the Securities Act, (ii) of the issuance by the SEC or any state securities authority of any stop order, injunction or other order or requirement suspending the effectiveness of a registration statement or the initiation of any proceedings for that purpose, (iii) if, between the effective date of a registration statement and the closing of any sale of securities covered thereby pursuant to any agreement to which the Company is a party, the representations and warranties of the Company contained in such agreement cease to be true and correct in all material respects or if the Company receives any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose, and (iv) of the happening of any event during the period a registration statement is effective as a result of which such registration statement or the related prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading;

(e) furnish counsel for each underwriter, if any, and for the Holders copies of any correspondence with the SEC or any state securities authority relating to the registration statement or prospectus;

(f) comply with all applicable rules and regulations of the SEC, including making available to its security holders an earnings statement covering at least 12 months which shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar provision then in force); and

(g) obtain the withdrawal of any order suspending the effectiveness of a registration statement at the earliest possible time.

**4.3 Non-Shelf Registered Offerings, Shelf Takedowns and Alternative Transactions.** In connection with any non-shelf registered offering, shelf takedown or Alternative Transaction that is demanded by Holders or as to which piggyback rights otherwise apply, the Company will:

(a) cooperate with the selling Holders and the managing underwriter of an underwritten offering of Shares, if any, to facilitate the timely preparation and delivery of certificates representing the Shares to be sold and not bearing any restrictive legends; and enable such Shares to be in such denominations (consistent with the provisions of the governing documents thereof) and registered in such names as the selling Holders or the managing underwriter of an underwritten offering of Shares, if any, may reasonably request at least five (5) Business Days prior to any sale of such Shares;

(b) furnish to each Holder and to each underwriter, if any, participating in the relevant offering, without charge, as many copies of the applicable prospectus, including each preliminary prospectus, and any amendment or supplement thereto and such other documents as such Holder or underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities;

(c) (i) use all reasonable efforts to register or qualify the Registrable Securities being offered and sold, no later than the time the applicable registration statement becomes effective, under all applicable state securities or blue sky laws of such jurisdictions as each underwriter, if any, or any Holder holding Registrable Securities covered by a registration statement, shall reasonably request; (ii) use all reasonable efforts to keep each such registration or qualification effective during the period such registration statement is required to be kept effective; and (iii) do any and all other acts and things which may be reasonably necessary or advisable to enable each such underwriter, if any, and Holder to consummate the disposition in each such jurisdiction of such Registrable Securities owned by such Holder; provided, however, that the Company shall not be obligated to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to consent to be subject to general service of process (other than service of process in connection with such registration or qualification or any sale of Registrable Securities in connection therewith) in any such jurisdiction;

(d) cause all Registrable Securities being sold to be qualified for inclusion in or listed on any Recognized Exchange on which Registrable Securities issued by the Company are then so qualified or listed if so requested by the Holders, or if so requested by the underwriter or underwriters of an underwritten offering of Registrable Securities, if any;

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(e) cooperate and assist in any filings required to be made with FINRA and in the performance of any due diligence investigation by any underwriter in an underwritten offering;

(f) facilitate the distribution and sale of any Registrable Securities to be offered pursuant to this Agreement, including without limitation by making “road show” presentations, holding meetings with and making calls to potential investors and taking such other actions as shall be requested by the Holders or the lead managing underwriter of an underwritten offering;

(g) enter into customary agreements (including, in the case of an underwritten offering, underwriting agreements in customary form, and including provisions with respect to indemnification and contribution in customary form and consistent with the provisions relating to indemnification and contribution contained herein) and take all other customary and appropriate actions in order to expedite or facilitate the disposition including, but not limited to, any disposition in an Alternative Transaction, of such Registrable Securities and in connection therewith:

(1) make such representations and warranties to the selling Holders and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in similar underwritten offerings;

(2) obtain opinions of counsel to the Company covering the matters customarily covered in opinions requested in sales of securities or underwritten offerings;

(3) obtain “cold comfort” letters and updates thereof (including, without limitation, any such audits and comfort letters relating to financial statements pursuant to Rule 3-05 of Regulation S-X and Article 11 thereunder) from the Company’s independent certified public accountants which letters shall be customary in form and shall cover matters of the type customarily covered in “cold comfort” letters to underwriters in connection with primary underwritten offerings; and

(4) to the extent requested and customary for the relevant transaction, enter into a securities sales agreement with the Holders, which agreement shall be customary in form, substance and scope and shall contain customary representations, warranties and covenants.

(h) use its commercially reasonable efforts to cooperate in a timely manner with any request of the Holders holding shelf registered securities in respect of any block trade or customary hedging transaction that is registered pursuant to a shelf registration that is not a firm commitment underwritten offering (each, an “Alternative Transaction”), including entering into customary agreements with respect to such Alternative Transactions (and providing customary representations, warranties, covenants and indemnities in such agreements) as well as providing other commercially reasonable assistance in respect of such Alternative Transactions of the type applicable to a public offering subject to this Section 4.3, to the extent customary for such transactions.

**4.4 Registrable Securities Transactions.** If requested by any Holder in connection with any transaction involving any Registrable Securities (including any sale or other transfer of such securities without registration under the Securities Act, any margin loan with respect to such securities and any pledge of such securities), the Company will use commercially reasonable efforts to provide such Holder with customary assistance to facilitate such transaction, including, without limitation, (i) such action as such Holder may reasonably request from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act and (ii) entering into an “issuer’s agreement” in connection with any margin loan with respect to such securities in customary form.

**4.5 Due Diligence.** In connection with each registration and offering of Registrable Securities to be sold by Holders, the Company will, in accordance with customary practice, make available for inspection by underwriters, including any underwriter or counterparty in an Alternative Transaction participating in any disposition pursuant to a Registration Statement being filed by the Company pursuant to Section 4.3, and any counsel or accountant retained by such underwriters all relevant financial and other records, pertinent corporate documents and properties of the Company and cause appropriate officers, managers, employees, outside counsel and accountants of the Company to supply all information reasonably requested by any such underwriter, counsel or accountant in connection with their due diligence exercise, including through in-person meetings, but subject to customary privilege constraints.

**4.6 Information from Holders.** Each Holder that holds Registrable Securities proposed to be covered by any registration statement will promptly furnish to the Company such information regarding itself as is required to be included in the registration statement or is otherwise required by FINRA or the SEC in connection with such registration statement, the ownership of Registrable Securities by such Holder and the proposed distribution by such Holder of such Registrable Securities as the Company may from time to time reasonably request in writing.

**4.7 Expenses.** All Registration Expenses incurred in connection with any registration statement or registered offering covering Registrable Securities held by the Holders will be borne by the Company. However, underwriters’, brokers’ and dealers’ fees, discounts and commissions applicable to Registrable Securities sold for the account of a Holder will be borne by such Holder.

## **ARTICLE V INDEMNIFICATION**

**5.1 Indemnification by the Company.** In the event of any registration under the Securities Act by any registration statement pursuant to rights granted in this Agreement of Registrable Securities held by Holders, the Company will indemnify and hold harmless Holders, their officers, directors and Affiliates, and each underwriter of such securities and each other Person, if any, who Controls any Holder or such underwriter within the meaning of the Securities Act, against any losses, claims, damages, or liabilities (including reasonable documented legal fees and costs of court), joint or several, to which Holders or such underwriter or controlling Person may become subject under the Securities Act or otherwise, including any amount paid in settlement of any litigation commenced or threatened, and shall promptly reimburse such Persons, as and when incurred, for any legal or other expenses reasonably incurred by them in connection with

investigating any claims and defending any actions, insofar as such losses, claims, damages, or liabilities (or any actions in respect thereof) arise out of or are based upon any violation or alleged violation by the Company of the Securities Act, any blue sky laws, securities laws or other applicable laws of any state or country in which such Shares are offered and relating to action taken or action or inaction required of the Company in connection with such offering, or arise out of or are based upon any untrue statement or alleged untrue statement of any material fact (i) contained, on its effective date, in any registration statement under which such securities were registered under the Securities Act or any amendment or supplement to any of the foregoing, or which arise out of or are based upon the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading or (ii) contained in any preliminary prospectus, if used prior to the effective date of such registration statement, or in the final prospectus (as amended or supplemented if the Company shall have filed with the SEC any amendment or supplement to the final prospectus), or which arise out of or are based upon the omission or alleged omission to state a material fact required to be stated in such prospectus or necessary to make the statements in such prospectus not misleading; and will reimburse Holders and each such underwriter and each such controlling Person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, or liability; provided, however, that the Company shall not be liable to any Holder or its underwriters or controlling Persons in any such case to the extent that any such loss, claim, damage, or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such registration statement or such amendment or supplement, in reliance upon and in conformity with information furnished by such Holder in writing to the Company or such underwriter specifically for use in the preparation thereof.

**5.2 Indemnification by Holders.** Each Holder as a condition to including Registrable Securities in such registration statement will indemnify and hold harmless (in the same manner and to the same extent as set forth in Section 5.1 hereof) the Company, each director of the Company, each officer of the Company who shall sign the registration statement, and any Person who Controls the Company within the meaning of the Securities Act, (i) with respect to any statement or omission from such registration statement, or any amendment or supplement to it, if such statement or omission was made in reliance upon and in conformity with information furnished to the Company by such Holder in writing specifically for use in the preparation of such registration statement or amendment or supplement, and (ii) with respect to compliance by such Holder with applicable laws in effecting the sale or other disposition of the securities covered by such registration statement.

**5.3 Indemnification Procedures.** Promptly after receipt by an indemnified party of notice of the commencement of any action involving a claim referred to in Section 5.1 and Section 5.2 hereof, the indemnified party will, if a claim in respect thereof is to be made or may be made against an indemnifying party, give written notice to such indemnifying party of the commencement of the action. The failure of any indemnified party to give notice shall not relieve the indemnifying party of its obligations in this Article V, except to the extent that the indemnifying party is actually prejudiced by the failure to give notice. If any such action is brought against an indemnified party, the indemnifying party will be entitled to participate in and to assume the defense of the action with counsel reasonably satisfactory to the indemnified party, and after notice from the indemnifying party to such indemnified party of its election to assume defense of the action, the indemnifying party will not be liable to such indemnified party for any legal or other

expenses incurred by the latter in connection with the action's defense other than reasonable costs of investigation. An indemnified party shall have the right to employ separate counsel in any action or proceeding and participate in the defense thereof, but the fees and expenses of such counsel shall be at such indemnified party's expense unless (i) the employment of such counsel has been specifically authorized in writing by the indemnifying party, which authorization shall not be unreasonably withheld, (ii) the indemnifying party has not assumed the defense and employed counsel reasonably satisfactory to the indemnified party within thirty (30) days after notice of any such action or proceeding, or (iii) the named parties to any such action or proceeding (including any impleaded parties) include the indemnified party and the indemnifying party and the indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to the indemnified party that are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action or proceeding on behalf of the indemnified party), it being understood, however, that the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to all local counsel which is necessary, in the good faith opinion of both counsel for the indemnifying party and counsel for the indemnified party in order to adequately represent the indemnified parties) for the indemnified party and that all such fees and expenses shall be reimbursed as they are incurred upon written request and presentation of invoices. Whether or not a defense is assumed by the indemnifying party, the indemnifying party will not be subject to any liability for any settlement made without its consent (not to be unreasonably withheld). No indemnifying party will consent to entry of any judgment or enter into any settlement which (i) does not include as an unconditional term the giving by the claimant or plaintiff, to the indemnified party, of a release from all liability in respect of such claim or litigation or (ii) involves the imposition of equitable remedies or the imposition of any non-financial obligations on the indemnified party.

**5.4 Contribution.** If the indemnification required by this Article V from the indemnifying party is unavailable to or insufficient to hold harmless an indemnified party in respect of any indemnifiable losses, claims, damages, liabilities, or expenses, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such losses, claims, damages, liabilities, or expenses in such proportion as is appropriate to reflect (i) the relative benefit of the indemnifying and indemnified parties and (ii) if the allocation in clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect the relative benefit referred to in clause (i) and also the relative fault of the indemnified and indemnifying parties, in connection with the actions which resulted in such losses, claims, damages, liabilities, or expenses, as well as any other relevant equitable considerations. The relative benefits received by a party shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by it bear to the total amounts (including, in the case of any underwriter, any underwriting commissions and discounts) received by each other party. The relative fault of the indemnifying party and the indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact, has been made by, or relates to information supplied by, such indemnifying party or parties, and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such action. The amount paid or payable by a party as a result of the losses, claims, damage, liabilities, and expenses referred to above shall be



deemed to include any legal or other fees or expenses reasonably incurred by such party in connection with any investigation or proceeding. The Company and Holders agree that it would not be just and equitable if contribution pursuant to this Section 5.4 were determined by *pro rata* allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the prior provisions of this Section 5.4.

Notwithstanding the provisions of this Section 5.4, no indemnifying party shall be required to contribute any amount in excess of the amount by which the total price at which the securities were offered to the public by such indemnifying party exceeds the amount of any damages which such indemnifying party has otherwise been required to pay by reason of an untrue statement or omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such a fraudulent misrepresentation.

## ARTICLE VI OTHER AGREEMENTS

**6.1 Assignment.** Neither the Company nor any Holder shall assign all or any part of this Agreement without the prior written consent of the Company and EQT; provided, however, that without the prior written consent of the Company, EQT may assign its rights and obligations under this Agreement in whole or in part to (i) any of its Affiliates and/or (ii) any Person who becomes a holder of Registrable Securities upon a distribution by EQT of Shares to their members, limited partners or stockholders that becomes a party hereto by executing and delivering an assignment and joinder agreement to the Company, substantially in the form of Exhibit A to this Agreement. Except as otherwise provided herein, this Agreement will inure to the benefit of and be binding on the parties hereto and their respective successors and permitted assigns.

**6.2 Merger or Consolidation.** In the event the Company engages in a merger or consolidation in which the Registrable Securities are converted into securities of another company, the Company shall use commercially reasonable efforts to ensure that the registration rights provided under this Agreement continue to be provided to Holders by the issuer of such securities.

**6.3 Rule 144.** If the Company is subject to the requirements of Section 13, 14 or 15(d) of the Exchange Act, the Company covenants that it will file any reports required to be filed by it under the Securities Act and the Exchange Act (or, if the Company is subject to the requirements of Section 13, 14 or 15(d) of the Exchange Act but is not required to file such reports, it will, upon the request of any Holder, make publicly available such information) and it will take such further action as any Holder may reasonably request, so as to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (b) any successor rule or regulation hereafter adopted by the SEC, including, for the avoidance of doubt, using commercially reasonable efforts to cause counsel to the Company to deliver customary legal opinions in connection with the removal of any restrictive legends in connection with a sale of such Shares.

**6.4 In-Kind Distributions.** If any Holder seeks to effectuate an in-kind distribution of all or part of its Registrable Securities to its direct or indirect equityholders, the Company will, subject to applicable lockups, work with such Holder and the Company's transfer agent to facilitate such in-kind distribution in the manner reasonably requested by such Holder. At the reasonable request of any Holder seeking to effect such distribution, the Company must file any prospectus supplement or post-effective amendments and otherwise take any action reasonably necessary to include language facilitating such distribution, if such language was not included in the initial Registration Statement, or revise such language if deemed reasonably necessary by EQT to effect any such distribution.

## ARTICLE VII MISCELLANEOUS

**7.1 Notices.** All notices, requests, demands and other communications required or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telex, fax or air courier guaranteeing delivery to the Persons at the respective addresses set forth below or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

(a) If to the Company, to:

Kodiak Gas Services, Inc.  
15320 Highway 105 W, Suite 210  
Montgomery, Texas 77356  
Attention: Kelly M. Battle, Executive Vice President, Chief Legal Officer, Chief Compliance Officer and Corporate Secretary  
Email: [kelly.battle@kodiakgas.com](mailto:kelly.battle@kodiakgas.com)

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP  
609 Main Street., Suite 4700  
Houston, Texas 77002  
Attention: Matthew R. Pacey, P.C., Jennifer Wu, P.C. and Atma Kabad  
Email: [matthew.pacey@kirkland.com](mailto:matthew.pacey@kirkland.com); [jennifer.wu@kirkland.com](mailto:jennifer.wu@kirkland.com); and [atma.kabad@kirkland.com](mailto:atma.kabad@kirkland.com)

(b) If to the Holders, to the notice addresses set forth in Exhibit B.

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP  
609 Main Street., Suite 4700  
Houston, Texas 77002  
Attention: Matthew R. Pacey, P.C., Jennifer Wu, P.C. and Atma Kabad  
Email: [matthew.pacey@kirkland.com](mailto:matthew.pacey@kirkland.com); [jennifer.wu@kirkland.com](mailto:jennifer.wu@kirkland.com); and [atma.kabad@kirkland.com](mailto:atma.kabad@kirkland.com)

Any such notice, request, demand or other communication shall be deemed to have been duly given (i) on the date of delivery if delivered personally or by facsimile or electronic transmission, (ii) on the first Business Day after being sent if delivered by nationally recognized overnight delivery service and (iii) upon the earlier of actual receipt thereof or five Business Days after the date of deposit in the United States mail if delivered by mail.

**7.2 Section Headings.** The article and section headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement. References in this Agreement to a designated “Article” or “Section” refer to an Article or Section of this Agreement unless otherwise specifically indicated.

**7.3 Governing Law.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

**7.4 Consent to Jurisdiction and Service of Process; Waiver of Jury Trial**

(a) The parties to this Agreement hereby agree to submit to the jurisdiction of the courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof in any action or proceeding arising out of or relating to this Agreement.

(b) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**7.5 Amendments.**

(a) This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms and conditions of this Agreement may be waived, only by a written instrument, signed by (x) the Company and (y) the Holders of a majority of Registrable Securities; provided, that no provision of this Agreement shall be modified or amended in a manner that is, in each case, in the good faith determination of the Board, disproportionately and materially adverse to any Holder or that would treat any Holder less favorably than any other Holder with respect to its Registrable Securities, in each case, without the prior written consent of such Holder; provided, further, that any amendment that would adversely impact the rights hereunder of EQT shall require the prior written consent of EQT. For the avoidance of doubt, the Holders of a majority of Registrable Securities may waive all rights of any Holder to participate in a piggyback registration pursuant to Article II of this Agreement so long as no Holder participates in the related public offering.

**7.6 Term.** This Agreement will terminate (i) as to any Holder, when it no longer holds Registrable Securities representing more than 5% of the outstanding voting capital stock of the Company, and (ii) at such time as there are no Registrable Securities held by any Holders. Notwithstanding the foregoing, Article V, Section 7.1 and Section 7.3 shall survive any termination.

**7.7 Future Registration Rights.** The Company shall not, without the prior written consent of (i) EQT and (ii) a majority of the then outstanding Registrable Securities, enter into any agreement with any current or future holder of any securities of the Company that would allow such current or future holder to require the Company to include securities in any registration statement or underwritten offering of the Company on a basis that is in parity with or superior to the rights granted hereunder to the Holders.

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**7.8 Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof. The registration rights granted under this Agreement supersede any registration, qualification or similar rights with respect to any of the Registrable Securities granted under any other agreement, and any of such preexisting registration rights are hereby terminated.

**7.9 Severability.** The invalidity or unenforceability of any specific provision of this Agreement shall not invalidate or render unenforceable any of its other provisions. Any provision of this Agreement held invalid or unenforceable shall be deemed reformed, if practicable, to the extent necessary to render it valid and enforceable and to the extent permitted by law and consistent with the intent of the parties to this Agreement.

**7.10 Counterparts.** This Agreement may be executed in multiple counterparts (including by means of facsimile or electronic mail, in .pdf or any other form of electronic delivery (including any electronic signature complying with U.S. federal ESIGN Act of 2000)), each of which shall be deemed an original, but all of which together shall constitute the same instrument.

**7.11 Third Parties.** Except pursuant to Article V, this Agreement shall not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and permitted assigns and other Persons expressly named herein.

**7.12 Equitable Remedies.** The parties hereto agree that irreparable harm would occur in the event that any of the agreements and provisions of this Agreement were not performed fully by the parties hereto in accordance with their specific terms or conditions or were otherwise breached, and that money damages are an inadequate remedy for breach of this Agreement because of the difficulty of ascertaining and quantifying the amount of damage that will be suffered by the parties hereto in the event that this Agreement is not performed in accordance with its terms or conditions or is otherwise breached. It is accordingly hereby agreed that the parties hereto shall be entitled to an injunction or injunctions to restrain, enjoin and prevent breaches of this Agreement by the other parties and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, such remedy being in addition to and not in lieu of, any other rights and remedies to which the other parties are entitled to at law or in equity.

*[Remainder of page intentionally left blank]*

---

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**COMPANY:**

**KODIAK GAS SERVICES, INC.**

By: \_\_\_\_\_  
Name:  
Title:

*Signature Page to Kodiak Gas Services, Inc. Registration Rights Agreement*

---

**HOLDERS:**

▪

*Signature Page to Kodiak Gas Services, Inc. Registration Rights Agreement*

**Exhibit A**

**FORM OF ASSIGNMENT AND JOINDER**

[ ], 20[ ]

Reference is made to the Registration Rights Agreement, dated as of [ ], 20[ ], by and among Kodiak Gas Services, Inc., a Delaware corporation (the “Company”), and certain holders which hold Registrable Securities (as defined below) that become party thereto (the Registration Rights Agreement). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Registration Rights Agreement.

Pursuant to Section 6.1 of the Registration Rights Agreement, [ ] (the “Assignor”) hereby assigns [in part][or: in full] its rights and obligations under the Registration Rights Agreement to each of [ ], [ ] and [ ] (each, an “Assignee” and collectively, the “Assignees”). [For the avoidance of doubt, the Assignor will remain a party to the Registration Rights Agreement following the assignment in part of its rights and obligations thereunder to the undersigned Assignees.]

Each undersigned Assignee hereby agrees to and does become party to the Registration Rights Agreement. This assignment and joinder shall serve as a counterpart signature page to the Registration Rights Agreement and by executing below each undersigned Assignee is deemed to have executed the Registration Rights Agreement with the same force and effect as if originally named a party thereto and each Assignee’s shares of Common Stock shall be included as Registrable Securities under the Registration Rights Agreement.

*[Remainder of page intentionally left blank]*

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IN WITNESS WHEREOF, the undersigned have duly executed this assignment and joinder as of date first set forth above.

**ASSIGNOR:**

[ \_\_\_\_\_ ]

By: \_\_\_\_\_  
Name:  
Title:

**ASSIGNEE(S):**

[ \_\_\_\_\_ ]

By: \_\_\_\_\_  
Name:  
Title:

*Signature Page to Kodiak Gas Services, Inc. Registration Rights Agreement*



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**Exhibit B**

**NOTICE INFORMATION OF THE HOLDERS**

[•]

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS609 Main Street  
Houston, TX 77002  
United States

+1 713 836 3600

www.kirkland.com

, 2023

Kodiak Gas Services, Inc.  
15320 Highway 105 W, Suite 210  
Montgomery, Texas 77356

Ladies and Gentlemen:

We are acting as special counsel to Kodiak Gas Services, Inc., a Delaware corporation (the “Company”), in connection with the preparation and filing of a Registration Statement on Form S-1, initially filed with the Securities and Exchange Commission (the “Commission”) on March 31, 2023 (File No. 333- ), under the Securities Act of 1933, as amended (the “Act”) (such Registration Statement, as amended or supplemented, is hereinafter referred to as the “Registration Statement”), relating to the proposed registration by the Company of up to shares of common stock, par value \$0.01 per share, of the Company (“Common Stock”), including shares of Common Stock to cover the underwriters’ option to purchase additional shares, if any. The shares of Common Stock to be sold by the Company identified in the Registration Statement are referred to herein as the “Shares,” and the issuance of the Shares is referred to herein as the “Issuance.”

In that connection, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, corporate records and other instruments as we have deemed necessary for the purposes of this opinion, including (i) the Amended and Restated Certificate of Incorporation of the Company in the form incorporated by reference as Exhibit 3.4 to the Registration Statement and to be filed with the Secretary of State of the State of Delaware at the closing of the initial public offering; (ii) the Amended and Restated Bylaws of the Company in the form incorporated by reference as Exhibit 3.5 to the Registration Statement; (iii) the form of Underwriting Agreement in the form filed as Exhibit 1.1 to the Registration Statement (the “Underwriting Agreement”), filed with the Commission on March 31, 2023; (iv) resolutions of the board of directors of the Company with respect to the Issuance and (v) the Registration Statement.

For purposes of this opinion, we have assumed the authenticity of all documents submitted to us as originals, the conformity to the originals of all documents submitted to us as copies and the authenticity of the originals of all documents submitted to us as copies. We have also assumed the legal capacity of all natural persons, the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered and the due authorization, execution and delivery of all documents by the parties thereto other than the Company. We have not independently established or verified any facts relevant to the opinion expressed herein, but have relied upon statements and representations of officers and other representatives of the Company and others as to factual matters.

Based upon and subject to the foregoing qualifications, assumptions and limitations and the further limitations set forth below, we are of the opinion that, when (i) the final Underwriting Agreement is duly executed and delivered by the parties thereto and (ii) the Registration Statement becomes effective under the Act, the Shares have been duly authorized and will be validly issued, fully paid and non-assessable.

Our opinions expressed above are subject to the qualifications that we express no opinion as to the applicability of, compliance with, or effect of any laws except the General Corporation Law of the State of Delaware.

Austin Bay Area Beijing Boston Brussels Chicago Dallas Hong Kong London Los Angeles Munich New York Paris Salt Lake City Shanghai Washington, D.C.

Kodiak Gas Services, Inc.  
, 2023

Page 2

We hereby consent to the filing of this opinion with the Commission as Exhibit 5.1 to the Registration Statement. We also consent to the reference to our firm under the heading “Legal Matters” in the Registration Statement. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission.

We do not find it necessary for the purposes of this opinion, and accordingly we do not purport to cover herein, the application of the securities or “Blue Sky” laws of the various states to the Issuance.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. We assume no obligation to revise or supplement this opinion should the General Corporation Law of the State of Delaware be changed by legislative action, judicial decision or otherwise.

This opinion is furnished to you in connection with the filing of the Registration Statement.

Sincerely,

---

# J.P.Morgan

FOURTH AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

March 22, 2023

among

FRONTIER INTERMEDIATE HOLDING, LLC,

as the Frontier Borrower,

KODIAK GAS SERVICES, LLC,

as the Kodiak Borrower,

The Other Obligors Party Hereto,

The Lenders Party Hereto

and

JPMORGAN CHASE BANK, N.A.,

as Administrative Agent

---

JPMORGAN CHASE BANK, N.A.,  
as Lead Left Lead Arranger and Joint Bookrunner

BANK OZK, BANK OF AMERICA, N.A., NYCB SPECIALTY FINANCE COMPANY, LLC  
and PNC BANK, NATIONAL ASSOCIATION,  
as Joint Lead Arrangers, Joint Bookrunners, and Co-Syndication Agents

FIFTH THIRD BANK, NATIONAL ASSOCIATION, REGIONS BANK and TRUIST  
SECURITIES, INC.,  
as Joint Lead Arranger and Joint Bookrunner

FIFTH THIRD BANK, NATIONAL ASSOCIATION, REGIONS BANK, TRUIST BANK and  
BARCLAYS BANK PLC,  
as Co-Documentation Agents

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Exhibit F-1	– Form of Commitment Increase Agreement
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**THIS FOURTH AMENDED AND RESTATED CREDIT AGREEMENT** dated as of March 22, 2023 (as it may be amended, restated, amended and restated, supplemented or modified from time to time, this "**Agreement**") among **FRONTIER INTERMEDIATE HOLDING, LLC**, a Delaware limited liability company (the "**Frontier Borrower**"), **KODIAK GAS SERVICES, LLC**, a Delaware limited liability company (the "**Kodiak Borrower**") and, together with the Frontier Borrower, the "**Existing Borrowers**"), the other Obligors party hereto, the Lenders party hereto, and **JPMORGAN CHASE BANK, N.A.**, as Administrative Agent.

WITNESSETH:

WHEREAS, the Existing Borrowers, the other Obligors party thereto, the Administrative Agent and certain Lenders were parties to that certain Third Amended and Restated Credit Agreement dated as of October 24, 2019 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the "**Existing Credit Agreement**"), and all indebtedness arising pursuant to the Existing Credit Agreement, the "**Existing Indebtedness**"), pursuant to which such Lenders provided certain loans and extensions of credit to the Existing Borrowers; and

WHEREAS, subject to the conditions precedent set forth herein, the parties hereto desire to amend and restate the Existing Credit Agreement in its entirety in the form of this Agreement, and the Existing Borrowers desire to extend and continue the Existing Indebtedness as Loans hereunder and obtain additional Loans and Letters of Credit for the purposes permitted herein; and

WHEREAS, after giving effect to the amendment and restatement of the Existing Credit Agreement pursuant to the terms hereof, the Commitments (as defined below) of the Lenders hereunder will be as set forth on the Commitment Schedule attached hereto; and

NOW, THEREFORE, in consideration of the premises, the representations, warranties, covenants and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and subject to the satisfaction of each condition precedent contained in Section 4.01 hereof, the Existing Credit Agreement shall be amended and restated in its entirety as of the Effective Date (as defined below) in the form of this Agreement. It is the intention of the Existing Borrowers and the Lenders, and such parties hereby agree, that this Agreement supersedes and replaces the Existing Credit Agreement in its entirety, and that (i) such amendment and restatement shall operate to renew, amend and modify certain of the rights and obligations of the parties under the Existing Credit Agreement as provided herein, but shall not act as a novation thereof, and (ii) the Liens securing the "Secured Obligations" under and as defined in the Existing Credit Agreement shall not be extinguished, but shall be carried forward and shall secure such obligations and indebtedness as renewed, amended, restated and modified hereby.

The parties hereto further agree that the Existing Credit Agreement shall be amended and restated in its entirety to read as follows:

ARTICLE I  
Definitions

Section 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“**144A Securities**” means securities issued by any Borrower pursuant to Rule 144A under the Securities Act of 1933, as amended.

“**Account**” has the meaning assigned to such term in the Security Agreement.

“**Account Debtor**” means any Person obligated on an Account.

“**Acquisition**” means any transaction, or any series of related transactions, consummated on or after the Effective Date, by which any Loan Party (a) acquires any going concern or on-going business or all or substantially all of the assets of any Person that is intended to be the sale of an entire business/division, whether through purchase of assets, merger or otherwise; provided that the purchase of one or more Compressor Units in the ordinary course of business that represents all or substantially all of the assets of any Person shall not constitute an Acquisition or (b) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the Equity Interests of a Person which has ordinary voting power for the election of directors or other similar management personnel of a Person (other than Equity Interests having such power only by reason of the happening of a contingency) or a majority of the outstanding Equity Interests of a Person.

“**Acquisition Payment Conditions**” means, with respect to any Permitted Acquisition to be made pursuant to Section 6.04(l), if the total consideration (including the maximum potential total amount of all deferred payment obligations (including earn-outs) and Indebtedness assumed or incurred) for all Acquisitions made during the term of this Agreement (a) does not exceed \$50,000,000, (i) the Borrowers shall have Availability, on a pro forma basis and at all times during the Pro Forma Period prior to the consummation of such Acquisition, exceeding the greater of (x) \$50,000,000 and (y) 10% of the Aggregate Commitment in effect at such time and (ii) (x) prior to a Successful IPO, the Fixed Charge Coverage Ratio calculated on a pro forma basis after giving effect to the Acquisition at the beginning of the Pro Forma Period shall be greater than 1.25 to 1.00 or (y) after a Successful IPO, the Interest Coverage Ratio calculated on a pro forma basis after giving effect to the Acquisition at the beginning of the Pro Forma Period shall be greater than 2.50 to 1.00 or (b) exceeds \$50,000,000, (i) no Default or Event of Default shall have occurred and be continuing or would result after giving effect to such Acquisition, (ii) the Borrowers shall have Availability, on a pro forma basis and at all times during the Pro Forma Period prior to the consummation of such Acquisition, exceeding (1) the greater of (x) \$200,000,000 and (y) 10% of the Aggregate Commitment in effect at such time or (2) \$100,000,000 so long as, on the date that the definitive binding agreement with respect to such Acquisition is executed, the Adjusted Leverage Ratio calculated after giving effect to such Acquisition and all related transactions is at least 0.25 to 1.00 less than the Leverage Ratio calculated as of the last day of the most recently ended fiscal quarter prior to such execution for which financial statements have been delivered in accordance with this Agreement and (iii) the Borrowers shall be in pro forma compliance (on a pro forma basis after giving effect to the Acquisition at the beginning of the Pro Forma Period)

with the financial covenants contained in Section 6.12. For purposes of this definition, Availability shall be calculated on a pro forma basis giving effect to all consideration given in connection with such Acquisition, other than Equity Interests of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) delivered to the seller(s) in such Acquisition, as having been paid in cash at the time of making such Acquisition. For purposes of this definition, “**Adjusted Leverage Ratio**” means, with respect to any Permitted Acquisition, the ratio of (a) Total Indebtedness calculated as of the last day of the most recently ended fiscal quarter prior to the date that the definitive binding agreement with respect to such Acquisition is executed for which financial statements have been delivered in accordance with this Agreement, plus total consideration (including the maximum potential total amount of all deferred payment obligations (including earn-outs) and Indebtedness assumed or incurred) for such Acquisition, minus the amount of such total consideration funded with equity, including any new cash equity investment and any rollover equity invested, in each case, in connection with the consummation of such Acquisition, to (b) EBITDA calculated for the most recently ended fiscal quarter prior to such execution for which financial statements have been delivered in accordance with this Agreement multiplied by four (4), calculated after giving pro forma effect to such Acquisition in accordance with Section 1.05.

“**Activation Period**” means any period commencing either (a) on the first date on which a Default or an Event of Default has occurred and is continuing or (b) when Availability is less than the greater of \$200,000,000 and ten percent (10%) of the Aggregate Commitment in effect at such time for a period of three (3) consecutive Business Days, and continuing until the date upon which both (i) Availability has been equal to or greater than the greater of \$200,000,000 and ten percent (10%) of the Aggregate Commitment in effect at such time at all times during the preceding thirty (30) consecutive day period, and (ii) no Default or Event of Default has occurred and is continuing during such thirty (30) consecutive day period.

“**Additional Lender Agreement**” has the meaning assigned to such term in Section 2.09(f).

“**Adjusted Leverage Ratio**” has the meaning assigned to such term in the definition of the “Acquisition Payment Conditions”.

“**Adjusted Daily Simple SOFR**” means an interest rate per annum equal to (a) Daily Simple SOFR, plus (b) 0.10%; provided that if Adjusted Daily Simple SOFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“**Adjusted Term SOFR Rate**” means, for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, plus (b) 0.10%; provided that if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

“**Administrative Agent**” means JPMCB (or any of its designated branch offices or affiliates), in its capacity as administrative agent for the Lenders hereunder.

“**Administrative Questionnaire**” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“**Affected Financial Institution**” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the specified Person.

“**Agent Indemnitee**” has the meaning assigned to such term in Section 9.03(c).

“**Aggregate Commitment**” means, at any time, the aggregate of the Commitments of all the Lenders, as increased or reduced from time to time pursuant to the terms and conditions hereof. As of the Effective Date, the Aggregate Commitment is \$2,200,000,000.

“**Aggregate Credit Exposure**” means, at any time, the aggregate Credit Exposure of all the Lenders at such time.

“**Aggregate Revolving Exposure**” means, at any time, the aggregate Revolving Exposure of all the Lenders at such time.

“**Agreement**” has the meaning assigned to such term in the preamble hereof.

“**Ancillary Document**” has the meaning assigned to such term in Section 9.06(b).

“**Anti-Corruption Laws**” means all laws, rules, and regulations of any jurisdiction applicable to any Borrower or any of its Affiliates from time to time concerning or relating to bribery or corruption.

“**Applicable Parties**” has the meaning assigned to such term in Section 8.03(c).

“**Applicable Percentage**” means, with respect to any Lender, (a) with respect to Revolving Loans, LC Exposure, Overadvance Exposure or Swingline Loans, a percentage equal to a fraction the numerator of which is such Lender’s Commitment and the denominator of which is the Aggregate Commitment (provided that, if the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon such Lender’s share of the Aggregate Revolving Exposure at that time), and (b) with respect to Protective Advance Exposure or with respect to the Aggregate Credit Exposure, a percentage based upon its share of the Aggregate Credit Exposure and the unused Commitments; provided that, in accordance with Section 2.20, so long as any Lender shall be a Defaulting Lender, such Defaulting Lender’s Commitment shall be disregarded in the calculations under clauses (a) and (b) above (except with respect to any waiver, amendment, or modification with respect to which a Defaulting Lender is entitled to vote pursuant to Section 2.20(c)).

“**Applicable Rate**” means, for any day, with respect to any Loan, the applicable rate per annum set forth below under the caption “Term Benchmark/RFR Applicable Rate” or “CBFR Applicable Rate”, as the case may be, based upon the Leverage Ratio as of the most recent determination date; provided that until delivery to the Administrative Agent, pursuant to Section 5.01, of the Kodiak Borrower’s consolidated financial information for the fiscal quarter

ending on June 30, 2023, the “Applicable Rate” shall be the applicable rate per annum set forth below in Level V:

<u>LEVELS</u>	<u>LEVERAGE RATIO</u>	<u>TERM BENCHMARK/RFR APPLICABLE RATE</u>	<u>CBFR APPLICABLE RATE</u>
Level I	Leverage Ratio is $\leq 3.00$ to 1.00	2.00%	1.00%
Level II	Leverage Ratio is $\leq 4.00$ to 1.00 but $> 3.00$ to 1.00	2.25%	1.25%
Level III	Leverage Ratio is $\leq 5.00$ to 1.00 but $> 4.00$ to 1.00	2.50%	1.50%
Level IV	Leverage Ratio is $\leq 5.50$ to 1.00 but $> 5.00$ to 1.00	2.75%	1.75%
Level V	Leverage Ratio is $> 5.50$ to 1.00	3.00%	2.00%

For purposes of the foregoing, (a) the Applicable Rate shall be determined on a quarterly basis based upon the Kodiak Borrower’s (or, after a Successful IPO, Kodiak Corp’s) consolidated financial statements delivered for the last month of each fiscal quarter from time to time delivered pursuant to Section 5.01 and (b) each change in the Applicable Rate resulting from a change in the Leverage Ratio shall be effective during the period commencing on and including the date of delivery to the Administrative Agent of such consolidated financial statements indicating such change and ending on the date immediately preceding the effective date of the next such change, provided that the Leverage Ratio shall be deemed to be in Level V at the option of the Administrative Agent or at the request of the Required Lenders if the Kodiak Borrower fails to deliver the consolidated financial statements for the last month of each fiscal quarter required to be delivered by it pursuant to Section 5.01 during the period from the expiration of the time for delivery thereof until such consolidated financial statements are delivered.

In the event that any consolidated financial statements or Compliance Certificate required to be delivered pursuant to Section 5.01 is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Applicable Rate for any period (an “Applicable Period”) than the Applicable Rate applied for such Applicable Period, and only in such case, then the Kodiak Borrower shall immediately (i) deliver to the Administrative Agent a corrected Compliance Certificate for such Applicable Period, (ii) determine the Applicable Rate for such Applicable Period based upon the corrected Compliance Certificate, and (iii) immediately pay to the Administrative Agent, for the account of the Lenders, the accrued additional interest owing as a result of such increased Applicable Rate for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with Section 2.18. The preceding sentence is in addition to the rights of the Administrative Agent and the Lenders with respect to Section 2.13 and Article VII and other of their respective rights under this Agreement.

“Approved Electronic Platform” has the meaning assigned to such term in Section 8.03(a).

“**Approved Fund**” has the meaning assigned to such term in Section 9.04.

“**Asset Disposition Limitation**” has the meaning assigned to such term in Section 6.05(g).

“**Assignment and Assumption**” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form (including electronic records generated by the use of an electronic platform) approved by the Administrative Agent.

“**Availability**” means, at any time, an amount equal to (a) the lesser of (i) the Aggregate Commitment and (ii) the Borrowing Base *minus* (b) the Aggregate Revolving Exposure (calculated, with respect to any Defaulting Lender, as if such Defaulting Lender had funded its Applicable Percentage of all outstanding Borrowings and the aggregate LC Exposure) *minus* (c) Availability Reserves.

“**Availability Period**” means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitments (and, if such day is not a Business Day, then on the immediately preceding Business Day).

“**Availability Reserves**” means any and all reserves which the Administrative Agent deems necessary, in its Permitted Discretion, to establish with respect to the maximum amount available for borrowing under the Commitments. Such Availability Reserves include, without limitation, reserves for accrued and unpaid interest on the Secured Obligations, reserves for Swap Obligations, Banking Services Reserves, Rent Reserves and reserves for taxes, fees, assessments, and other governmental charges; provided, that Availability Reserves shall not include any reserves included in any contemporaneously effective calculation of “Borrowing Base Reserves”.

“**Availability Trigger Period**” means any period commencing on the first date on which Availability is less than the greater of (a) \$200,000,000 and (b) 10% of the Aggregate Commitment in effect at such time, and continuing until the date on which Availability is equal to or greater than the greater of (i) \$200,000,000 and (ii) 10% of the Aggregate Commitment in effect at such time.

“**Available Revolving Commitment**” means, at any time, the Aggregate Commitment *minus* the Aggregate Revolving Exposure (calculated, with respect to any Defaulting Lender, as if such Defaulting Lender had funded its Applicable Percentage of all outstanding Borrowings).

“**Available Tenor**” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (e) of Section 2.14.



**“Bail-In Action”** means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

**“Bail-In Legislation”** means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

**“Banking Services”** means each and any of the following bank services provided to any Obligor or its subsidiaries by any Lender or any of its Affiliates: (a) credit cards for commercial customers (including, without limitation, “commercial credit cards” and purchasing cards), (b) stored value cards, (c) merchant processing services, and (d) treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts, cash pooling services and interstate depository network services).

**“Banking Services Obligations”** means any and all obligations of the Obligors or their respective subsidiaries, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Banking Services.

**“Banking Services Reserves”** means all Reserves which the Administrative Agent from time to time establishes in its Permitted Discretion for Banking Services then provided or outstanding.

**“Bankruptcy Code”** means Title 11 of the United States Code entitled “Bankruptcy”, as now and hereafter in effect, or any successor statute.

**“Bankruptcy Event”** means, with respect to any Person, when such Person becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business, appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment or has had any order for relief in such proceeding entered in respect thereof, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, unless such ownership interest results in or provides such Person with immunity from the jurisdiction of courts within the U.S. or from the enforcement of judgments or writs of attachment on its assets or permits such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

**“Bankruptcy Plan”** has the meaning assigned to such term in Section 9.04(g)(iii).

“**Benchmark**” means, initially, the Term SOFR Rate; provided that if a Benchmark Transition Event and the related Benchmark Replacement Date have occurred with respect to the Term SOFR Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 2.14.

“**Benchmark Replacement**” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) Adjusted Daily Simple SOFR;
- (2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time in the United States and (b) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“**Benchmark Replacement Adjustment**” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower Representative for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities at such time.

“**Benchmark Replacement Conforming Changes**” means, with respect to any Benchmark Replacement and/or any Term Benchmark Loan, any technical, administrative or operational changes (including changes to the definition of “Business Day,” the definition of “CB Floating Rate,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or

operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“**Benchmark Replacement Date**” means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

- (1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

- (1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

- (2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Unavailability Period**” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 2.14 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 2.14.

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

“**Beneficial Ownership Regulation**” means 31 C.F.R. § 1010.230.

“**Benefit Plan**” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“**BHC Act Affiliate**” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“**Borrower**” or “**Borrowers**” means (a) at any time prior to a Successful IPO, the Existing Borrowers and (b) at any time after a Successful IPO, Kodiak Corp and the Kodiak Borrower.

“**Borrower Representative**” has the meaning assigned to such term in Section 11.01.

“**Borrowing**” means (a) Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Term Benchmark Loans, as to which a single Interest Period is in effect, (b) a Swingline Loan, (c) a Protective Advance and (d) an Overadvance.

“**Borrowing Base**” means, at any time, the sum of:

- (a) 90% of the Loan Parties’ Eligible Accounts at such time which are owing by Investment Grade Account Debtors plus
- (b) 85% of the Loan Parties’ Eligible Accounts at such time which are owing by Non-Investment Grade Account Debtors, plus
- (c) 80% of the Loan Parties’ Eligible Compressor Components, valued at cost (excluding any costs for capitalized interest or other non-cash capitalized costs (collectively, the “**Soft Costs**”)) on a FIFO Basis at such time, plus
- (d) 50% of the Loan Parties’ Eligible Inventory, valued at the lower of cost (on a FIFO Basis and excluding any Soft Costs) or market value (which approximates average cost) at such time; provided that the maximum amount of Loan Parties’ Eligible Inventory (after giving effect to the advance rate) which may be included as part of this component of the Borrowing Base shall not exceed \$25,000,000, plus
- (e) the lesser of (i) 95% of the net book value of the Loan Parties’ Eligible Rental Compressors, valued at the lower of cost (on a FIFO Basis and excluding any Soft Costs) or market value (which approximates average cost) with depreciation calculated in accordance with GAAP, at such time and (ii) the product of 80% *multiplied by* the applicable Net Orderly Liquidation Value percentage identified in the most recent rental compressor fleet appraisal ordered with respect to the applicable Eligible Rental Compressors, received and relied upon by the Administrative Agent pursuant to Section 5.12 multiplied by the net book value of the Loan Parties’ Eligible Rental Compressors relating to such applicable Net Orderly Liquidation Value percentage, valued at the lower of cost (on a FIFO Basis) or market value (which approximates average cost) with depreciation calculated in accordance with GAAP, at such time, plus
- (f) 80% of the value at cost of Eligible New Rental Fleet, minus
- (g) Borrowing Base Reserves.

Notwithstanding anything contained herein to the contrary, the Loan Parties’ Eligible Inventory may only be included without duplication and will not be included in more than one component of the Borrowing Base (i.e. Eligible Compressor Components, Eligible Inventory, Eligible Rental Compressors or Eligible New Rental Fleet) based on eligibility criteria. The Administrative Agent may, in its Permitted Discretion, reduce the advance rates set forth above, adjust Borrowing Base

Reserves or reduce one or more of the other elements used in computing the Borrowing Base. The Borrowing Base at any time shall be determined by reference to the most recent Borrowing Base Certificate delivered to the Administrative Agent pursuant to Section 5.01(f) of this Agreement; provided that, prior to the first such certificate being delivered, the Borrowing Base shall be determined by reference to the Borrowing Base Certificate delivered to the Administrative Agent pursuant to Section 4.01(k) of this Agreement.

**“Borrowing Base Certificate”** means a certificate, signed and certified as accurate and complete by a Financial Officer of the Borrower Representative, in substantially the form of Exhibit B or another form which is acceptable to the Administrative Agent in its sole discretion.

**“Borrowing Base Reserves”** means any and all reserves which the Administrative Agent deems necessary, in its Permitted Discretion, to establish with respect to the Borrowing Base and which will be deducted in the calculation thereof, as applicable. Such Borrowing Base Reserves include, without limitation, reserves for contingent liabilities of any Loan Party, volatility reserves, reserves for dilution of Accounts, reserves for Inventory shrinkage, reserves for uninsured losses of any Loan Party and reserves for uninsured, underinsured, un-indemnified or under-indemnified liabilities or potential liabilities with respect to any litigation with respect to the Collateral or any Loan Party; provided, that Borrowing Base Reserves shall not include any reserves included in any contemporaneously effective calculation of “Availability Reserves”.

**“Borrowing Request”** means a request by the Borrower Representative for a Borrowing in accordance with Section 2.03.

**“Burdensome Restrictions”** means any consensual encumbrance or restriction of the type described in clause (a) or (b) of Section 6.10.

**“Business Day”** means any day (other than a Saturday or a Sunday) on which banks are open for business in New York City; provided that, in addition to the foregoing, a Business Day shall be (a) in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings of such RFR Loan and (b) in relation to Loans referencing the Adjusted Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans referencing the Adjusted Term SOFR Rate or any other dealings of such Loans referencing the Adjusted Term SOFR Rate, any such day that is only a U.S. Government Securities Business Day.

**“Capital Expenditures”** means, without duplication, any expenditure or commitment to expend money for any purchase or other acquisition of any asset which would be classified as a fixed or capital asset on a consolidated balance sheet of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries prepared in accordance with GAAP.

**“Capital Lease Obligations”** of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases or financing leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

**“Cash Dominion Trigger Period”** means any period of time commencing when either (a) an Event of Default has occurred and is continuing or (b) Availability is less than the greater of (i) \$200,000,000 and (ii) 10% of the Aggregate Commitment in effect at such time, and continuing until such subsequent date on which both Availability has been equal to or greater than the greater of (i) \$200,000,000 and (ii) 10% of the Aggregate Commitment in effect at such time and no Default or Event of Default has occurred and is continuing, in each case, during a forty-five (45) consecutive day period.

**“CB Floating Rate”** means the greater of the Prime Rate or 2.5%. Any change in the CB Floating Rate due to a change in the Prime Rate shall be effective from and including the effective date of such change in the Prime Rate.

**“CBFR”**, when used in reference to: (a) a rate of interest, refers to the CB Floating Rate and (b) any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, bear interest at a rate determined by reference to the CB Floating Rate.

**“Change in Control”** means the occurrence of any of the following, whether voluntary or involuntary, including by the operation of law:

(a) any time prior to the consummation of a Successful IPO, (i) Sponsor shall cease to own, directly or indirectly, more than 50% of the outstanding Equity Interests of each Borrower on a fully diluted basis; (ii) occupation of a majority of the seats (other than vacant seats) on the board of managers of each Borrower by Persons who were neither (A) nominated, appointed or approved by the board of managers of such Borrower nor (B) appointed by directors so nominated, appointed or approved; (iii) the Frontier Borrower shall cease to own, directly or indirectly, free and clear of all Liens or other encumbrances (other than the Liens securing the Secured Obligations), 100% of the outstanding Equity Interests of the Kodiak Borrower on a fully diluted basis, (iv) the Kodiak Borrower shall cease to own, directly or indirectly, free and clear of all Liens or other encumbrances (other than Permitted Encumbrances), 100% of the outstanding Equity Interests of the other Loan Parties on a fully diluted basis; or (v) a “change in control” or any comparable term under, and as defined in, the Term Loan Credit Agreement; and

(b) any time after the consummation of a Successful IPO, (i) the Borrowers becoming aware of (by way of a report or any other filing pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, proxy, vote, written notice or otherwise) any “person” or “group” (within the meaning of Rules 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than the Sponsor, shall have at any time have acquired, beneficially or of record, direct or indirect ownership (as defined in SEC Rules 13(d)-3 and 13(d)-5 under the Securities Exchange Act of 1934, as amended) of 50% or more of the total voting power of all of the outstanding Equity Interests in Kodiak Corp on a fully diluted basis; (ii) Kodiak Corp shall cease to own, directly or indirectly, free and clear of all Liens or other encumbrances (other than Permitted Encumbrances), 100% of the outstanding Equity Interests of the other Obligor on a fully diluted basis; or (iii) a “change in control” or any comparable term occurs under any Material Indebtedness.

Notwithstanding anything to the contrary in this definition or any provision of Rule 13d-3 or 13(d)-5 of the Securities Exchange Act of 1934, as amended, (a) a Person or group shall not be deemed to beneficially own the voting power in the Equity Interest (x) to be acquired by such Person or group pursuant to a stock or asset purchase agreement, merger agreement, option agreement, warrant agreement or similar agreement (or voting or option or similar agreement related thereto) until the consummation of the acquisition of the voting power in the Equity Interest in connection with the transactions contemplated by such agreement or (y) solely as a result of veto or approval rights in any joint venture agreement, shareholder agreement, investor rights agreement or other similar agreement, (b) a Person or group (other than the Sponsor) will not be deemed to beneficially own the voting power in the Equity Interest of another Person as a result of its ownership of Equity Interests or other securities of such other Person's parent (or related contractual rights) unless it owns more than 50% of the total voting power in the Equity Interest of such Person's parent, and (c) the right to acquire the voting power in the Equity Interest (so long as such Person does not have the right to direct the voting of the voting interest in the Equity Interest subject to such right) or any veto power in connection with the acquisition or disposition of the voting power in the Equity Interest will not cause a party to be a beneficial owner. For the avoidance of doubt, it is understood and agreed that a Successful IPO shall not constitute or otherwise be deemed to cause a Change in Control for purposes hereof except to the extent a Successful IPO shall otherwise constitute a Change in Control under clause (b)(iii) above.

**"Change in Law"** means the occurrence after the date of this Agreement (or, with respect to any Lender, such later date on which such Lender becomes a party to this Agreement) of any of the following: (a) the adoption of or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 2.15(b), by any lending office of such Lender or by such Lender's or such Issuing Bank's holding company, if any) with any request, guideline, requirement or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements, or directives thereunder or issued in connection therewith or in the implementation thereof, and (y) all requests, rules, guidelines, requirements or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

**"Charged Amounts"** has the meaning assigned to such term in Section 9.17.

**"Class"**, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, Swingline Loans, Protective Advances or Overadvances.

**"CME Term SOFR Administrator"** means CME Group Benchmark Administration Limited as administrator of the forward-looking term SOFR (or a successor administrator).

**"Code"** means the Internal Revenue Code of 1986, as amended.



“**Co-Documentation Agents**” means Fifth Third Bank, National Association, Regions Bank, Truist Bank and Barclays Bank PLC, each in its capacity as a co-documentation agent.

“**Co-Syndication Agents**” means each of Bank OZK, Bank of America, N.A., NYCB Specialty Finance Company, LLC and PNC Bank, National Association, each in its capacity as a co-syndication agent.

“**Collateral**” means any and all property owned, leased or operated by a Person covered by the Collateral Documents and any and all other property of any Obligor, now existing or hereafter acquired, that may at any time be, become or be intended to be, subject to a security interest or Lien in favor of the Administrative Agent, on behalf of itself and the Lenders and other Secured Parties, to secure the Secured Obligations.

“**Collateral Access Agreement**” has the meaning assigned to such term in the Security Agreement.

“**Collateral Documents**” means, collectively, the Security Agreement, the Kodiak Pledge Agreement, the Frontier Pledge Agreement and any other agreements, instruments and documents executed in connection with this Agreement that are intended to create, perfect or evidence Liens to secure the Secured Obligations, including, without limitation, all other security agreements, pledge agreements, mortgages, deeds of trust, loan agreements, notes, guarantees, subordination agreements, pledges, powers of attorney, consents, assignments, contracts, fee letters, notices, leases, financing statements and all other written matter whether theretofore, now or hereafter executed by any Obligor and delivered to the Administrative Agent.

“**Collection Account**” has the meaning assigned to such term in the Security Agreement.

“**Commercial LC Exposure**” means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding commercial Letters of Credit at such time *plus* (b) the aggregate amount of all LC Disbursements relating to commercial Letters of Credit that have not yet been reimbursed by or on behalf of the Borrowers at such time. The Commercial LC Exposure of any Lender at any time shall be its Applicable Percentage of the aggregate Commercial LC Exposure at such time.

“**Commitment**” means, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans, together with the commitment of such Lender to acquire participations in Letters of Credit, Swingline Loans, Overadvances and Protective Advances hereunder, expressed as an amount representing the maximum possible aggregate amount of such Lender’s Revolving Exposure hereunder, as such commitment may be reduced or increased from time to time pursuant to (a) [Section 2.09](#) and (b) assignments by or to such Lender pursuant to [Section 9.04](#). The amount of each Lender’s Commitment is set forth on the Commitment Schedule, or in the Assignment and Assumption or other documentation or record (as such term is defined in Section 9-102(a)(70) of the New York Uniform Commercial Code) as provided in [Section 9.04\(b\)\(ii\)\(C\)](#), pursuant to which such Lender shall have assumed its Commitment, as applicable.

“**Commitment Fee Rate**” means the applicable rate per annum set forth below under the caption “**Commitment Fee Rate**” as determined based on the average utilization of the Commitments during a calendar month:

Category	Average Amount Utilized	Commitment Fee Rate
1	Less than or equal to 50% of the Commitments	0.50%
2	Greater than 50% of the Commitments	0.25%

“**Commitment Increase Agreement**” has the meaning assigned to such term in [Section 2.09\(f\)](#).

“**Commitment Schedule**” means the Schedule attached hereto identified as such.

“**Commodity Account Control Agreement**” has the meaning assigned to such term in the Security Agreement.

“**Commodity Exchange Act**” means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*), as amended from time to time, and any successor statute.

“**Communications**” has the meaning assigned to such term in [Section 8.03\(c\)](#).

“**Competitor**” means any Person that is a bona fide direct competitor of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) in the same industry or a substantially similar industry which offers a substantially similar product or service as the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary of the Kodiak Borrower.

“**Compliance Certificate**” means a certificate of a Financial Officer of the Borrower Representative in substantially the form of [Exhibit C](#).

“**Compressor Components**” means each of the major serial numbered components of a Compressor Package, including an engine, compressor, compressor cylinders, natural gas and engine jacket cooler, control devices and ancillary piping mounted on a metal skid.

“**Compressor Packages**” means natural gas compression equipment generally consisting of an engineered package of Compressor Components.

“**Compressor Units**” means Inventory of any Loan Party consisting of completed Compressor Packages.

“**Connection Income Taxes**” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

**“Control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise; provided that unless based on a contractual right, including a contractual voting right, the Borrowers or Sponsor, as applicable, must own directly or indirectly a majority of the ownership rights in such Person to have Control of such Person by ownership alone. Without limiting the generality of the foregoing, any Person that owns directly or indirectly fifty percent (50%) or more of the Equity Interests of another Person will be deemed to “Control” such other Person. **“Controlling”** and **“Controlled”** have meanings correlative thereto.

**“Controlled Disbursement Account”** (x) any time prior to the consummation of a Successful IPO, means, the following account: account # 220852261, and any replacement or additional accounts of the Kodiak Borrower maintained with the Administrative Agent as a zero balance, cash management account pursuant to and under any agreement between the Kodiak Borrower and the Administrative Agent, as modified and amended from time to time, and through which all disbursements of the Kodiak Borrower, any other Loan Party and any designated Subsidiary of the Kodiak Borrower are made and settled on a daily basis with no uninvested balance remaining overnight, and (y) any time after the consummation of a Successful IPO, means one or more accounts of the Borrowers maintained with the Administrative Agent as a zero balance, cash management account pursuant to and under any agreement between a Borrower and the Administrative Agent, as modified and amended from time to time, and through which all disbursements of a Borrower, any other Loan Party and any designated Subsidiary of a Borrower are made and settled on a daily basis with no uninvested balance remaining overnight.

**“Conversion Event”** means the issuance or borrowing by Kodiak Corp of any Unsecured Debt.

**“Corresponding Tenor”** with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

**“Coverage Ratio Financial Covenant”** has the meaning assigned to such term in Section 7.02(a).

**“Covered Entity”** means any of the following:

- (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);
- (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or
- (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

**“Covered Party”** has the meaning assigned to it in Section 9.23.

**“Credit Exposure”** means, as to any Lender at any time, the sum of such Lender’s (a) Revolving Exposure, and (b) Protective Advance Exposure, in each case outstanding at such time.

“**Credit Party**” means the Administrative Agent, any Issuing Bank, the Swingline Lender or any other Lender.

“**Cure Notice**” has the meaning assigned to such term in the definition of “EBITDA Curative Equity”.

“**Daily Simple SOFR**” means, for any day (a “**SOFR Rate Day**”), a rate per annum equal to SOFR for the day that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrowers.

“**DDA Access Product**” means the bank service provided to any Loan Party by JPMCB in its sole discretion consisting of direct access to schedule payments from the Funding Account by electronic, internet or other access mechanisms that may be agreed upon from time to time by JPMCB and the funding of such payments under the Loan Borrowing Option in the DDA Access Product Agreement.

“**DDA Access Product Agreement**” means JPMCB’s Treasury Services End of Day Investment & Loan Sweep Service Terms, as in effect on the date of this Agreement, as the same may be amended from time to time.

“**Debtor Relief Laws**” means the Bankruptcy Code and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“**Default**” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“**Default Right**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“**Defaulting Lender**” means any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or Swingline Loans or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, (b) has notified any Borrower or any Credit Party in writing, or has made a public statement, to the effect that it does not intend or expect to comply with any of its funding obligations under this Agreement or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans and participations in then outstanding Letters of Credit and Swingline Loans under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party’s receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or has or has a Parent that has become the subject of a Bankruptcy Event or a Bail-In Action.

“**Deficiency Funding Date**” has the meaning assigned to such term in Section 2.05(a).

“**Deposit Account Control Agreement**” has the meaning assigned to such term in the Security Agreement.

“**Disclosed Matters**” means the actions, suits, proceedings and environmental matters disclosed in Schedule 3.06.

“**Disqualified Institution**” means, as of any date, (a) (i) those institutions designated as “Disqualified Institutions” in writing from the Kodiak Borrower to the Administrative Agent on or prior to the Effective Date or (ii) on or after the Effective Date, any Competitor which has been designated by the Borrower Representative as a “Disqualified Institution” by written notice to the Administrative Agent in accordance with Section 9.01(a)(ii) (which such notice shall specify such Person by exact legal name) and the Lenders (including by posting such notice to the Approved Electronic Platform) and (b) any Affiliate of any Person (other than any Person described in subclause (iii) below) described in clause (a)(ii) that is (x) designated by the Borrower Representative as specified in clause (a) or (y) clearly identifiable as an Affiliate of such Person solely on the basis of the similarity of its name provided, that (i) no designation of a Person as a “Disqualified Institution” pursuant hereto shall be effective until five (5) Business Days following the receipt of such written notice by the Administrative Agent and the Lenders, (ii) “Disqualified Institutions” shall exclude any Person that the Borrower Representative has designated as no longer being a “Disqualified Institution” by written notice delivered to the Administrative Agent from time to time and (iii) any bona fide debt fund or investment vehicle that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business which is managed, sponsored or advised by any Person Controlling, Controlled by or under common Control with such Person or its Controlling owner shall be deemed not to be a Disqualified Institution solely by reason of clause (b).

“**Document**” has the meaning assigned to such term in the Security Agreement.

“**Dollars**”, “**dollars**” or “**\$**” refers to lawful money of the U.S.

“**Domestic Subsidiary**” means a Subsidiary organized under the laws of a jurisdiction located in the U.S.

“**DQ List**” has the meaning assigned to such term in the definition of “Ineligible Institution” hereof.

“**EBITDA**” means, for any period, Net Income for such period plus (a) without duplication and to the extent deducted in determining Net Income for such period, the sum of (i) Interest Expense for such period, (ii) income tax expense for such period, Tax expense associated with Taxes deemed the equivalent to income taxes pursuant to GAAP (e.g. Texas gross receipts tax) for such period, sales tax expense for such period, in each case net of any tax refunds, (iii) all amounts attributable to depreciation and amortization expense for such period, (iv) any extraordinary, non-recurring or unusual non-cash charges (including any non-cash extraordinary, non-recurring or unusual losses)

for such period, (v) any other non-cash charges for such period, including, for the avoidance of doubt, any non-cash charge that relates to the write-down or write-off of inventory, including, without limitation, Compressor Components or Compressor Units (but excluding any non-cash charge in respect of an item that was included in Net Income in a prior period), (vi) any reasonable and documented out-of-pocket fees, costs and expenses incurred in connection with (x) the negotiation and documentation of the Loan Documents entered into on the Effective Date and (y) the consummation of the Qualified IPO (including, for the avoidance of doubt, any Public Company Costs) and the Term Loan Refinancing, (vii) any reasonable and documented out-of-pocket fees, costs and expenses incurred in connection with the consummation of any transaction outside the ordinary course of business (including any such transaction undertaken but not completed), including any incurrence, repayment, refinancing, amendment or modification of Indebtedness (including any amortization or write-off of debt issuance or deferred financing costs, premiums and prepayment penalties) or any similar transaction and/or any Permitted Acquisition or other investment or purchase (in one transaction or a series of transactions) of any other interest in any other Person or any assets of any other Person (whether through purchase of assets, merger or otherwise) in an amount, when combined with fees, costs and expenses added back pursuant to clause (a)(viii) below, not to exceed \$15,000,000 in the aggregate during any consecutive twelve-month period, (viii) fees, costs and expenses incurred or paid in connection with operating improvements, restructurings, cost savings initiatives and/or any similar transactions or initiatives in an amount, when combined with fees, costs and expenses added back pursuant to clause (a)(vii) above, not to exceed \$15,000,000 in the aggregate during any consecutive twelve-month period, (ix) equity-based compensation in connection with a long term incentive plan to certain executives and other key employees of any Loan Party, and (x) the amount of “run rate” cost savings, operating expense reductions and synergies resulting from Acquisitions with total consideration (including the maximum potential total amount of all deferred payment obligations (including earn-outs) and Indebtedness assumed or incurred in connection therewith) exceeding \$25,000,000, in each case projected by the Kodiak Borrower in good faith to be realized, as a result of actions taken or initiated or expected to be taken, within 12 months of the end of such period (calculated on a pro forma basis as though such “run rate” cost savings, operating expense reductions and synergies had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions; provided that (1) such “run rate” cost-savings, operating expense reductions and synergies are reasonably identifiable and factually supportable by a quality of earnings report prepared by a nationally recognized accounting firm or other third party advisor acceptable to the Administrative Agent, (2) no “run rate” cost-savings, operating expense reductions or synergies may be included pursuant to this clause (a)(x) to the extent duplicative of any expenses or charges relating thereto that are either excluded in computing Net Income or included (i.e., added back) in computing EBITDA for such period, (3) such adjustments may be incremental to (but not duplicative of) pro forma adjustments made pursuant to Section 1.05 and (4) the aggregate amount of “run rate” cost savings, operating expense reductions and synergies pursuant to this clause (a)(x) shall not exceed 7.5% of EBITDA for such period (without giving effect to any adjustments pursuant to this clause (a)(x)), minus (b) without duplication and to the extent included in Net Income (i) any cash payments made during such period in respect of non-cash charges described in clause (a)(v) taken in a prior period and (ii) any extraordinary non-cash gains (excluding gains on asset sales in the ordinary course of business) and any non-cash items of income for such period, all calculated for the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries on a consolidated basis in accordance with GAAP.

**“EBITDA Curative Equity”** means cash contributions in respect of common equity or other Equity Interests (such other Equity Interests to be on terms reasonably acceptable to the Administrative Agent) in the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) made after the Effective Date by the direct equityholders of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) (including, for the avoidance of doubt, Sponsor) in immediately available funds received by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and which are (a) designated, by written notice to the Administrative Agent as “EBITDA Curative Equity” by the Kodiak Borrower under Section 7.02 at the time such funds are contributed (such written notice, a **“Cure Notice”**) and (b) immediately used to prepay Loans outstanding at such time.

**“ECP”** means an “eligible contract participant” as defined in Section 1(a)(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission and/or the SEC.

**“EEA Financial Institution”** means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

**“EEA Member Country”** means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

**“EEA Resolution Authority”** means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

**“Effective Date”** means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

**“Electronic Signature”** means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

**“Electronic System”** means any electronic system, including e-mail, e-fax, web portal access for such Borrower and any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by the Administrative Agent or any Issuing Bank and any of their respective Related Parties or any other Person, providing for access to data (or transmission of data, in the case of electronic mail) protected by passcodes or other security systems.

**“Eligible Accounts”** means, at any time, the Accounts of any Loan Party which the Administrative Agent determines in its Permitted Discretion are eligible as the basis for the extension of Revolving Loans and Swingline Loans and the issuance of Letters of Credit. Without

limiting the Administrative Agent's discretion provided herein, Eligible Accounts shall not include any Account:

- (a) which is not subject to a first priority perfected security interest in favor of the Administrative Agent;
- (b) which is subject to any Lien other than (i) a Lien in favor of the Administrative Agent and (ii) a Permitted Encumbrance which does not have priority over the Lien in favor of the Administrative Agent;
- (c) (i) with respect to which the scheduled due date is more than forty-five (45) days after the date of the original invoice therefor, (ii) which is unpaid more than ninety (90) days after the date of the original invoice therefor or more than sixty (60) days after the original due date therefor ("**Overage**") (when calculating the amount under this clause (ii), for the same Account Debtor, the Administrative Agent shall include the net amount of such Overage and add back any Account credits, but only to the extent that such Account credits do not exceed the total gross receivables from such Account Debtor), or (iii) which has been written off the books of the applicable Loan Party or otherwise designated as uncollectible;
- (d) which is owing by an Account Debtor for which more than fifty percent (50%) of the Accounts owing from such Account Debtor and its Affiliates are ineligible pursuant to clause (e) above;
- (e) which is owing by (i) an Account Debtor whose securities are rated BBB- (or then equivalent rating) or better by S&P or Baa3 (or then equivalent rating) or better by Moody's (an "**Investment Grade Account Debtor**") or whose credit rating or credit quality has the characteristics of an Investment Grade Account Debtor as determined by the Administrative Agent in its Permitted Discretion to the extent the aggregate amount of Accounts owing from such Investment Grade Account Debtor and its Affiliates to the Loan Parties exceeds forty percent (40%) of the aggregate amount of Eligible Accounts of the Loan Parties or (ii) which are owing by any other Account Debtor (a "**Non-Investment Grade Account Debtor**") to the extent the aggregate amount of Accounts owing from such Non-Investment Grade Account Debtor and its Affiliates to the Loan Parties exceed thirty percent (30%) of the aggregate amount of Eligible Accounts of the Loan Parties;
- (f) with respect to which any covenant, representation or warranty contained in this Agreement or in the Security Agreement has been breached or is not true;
- (g) which (i) does not arise from the sale of goods or performance of services in the ordinary course of business, (ii) is not evidenced by an invoice or other documentation satisfactory to the Administrative Agent which has been sent to the Account Debtor, (iii) represents a progress billing, (iv) is contingent upon the applicable Loan Parties' completion of any further performance, (v) represents a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment, cash-on-delivery or any other repurchase or return basis or (vi) relates to payments of interest;



(h) (i) for which the goods giving rise to such Account have not been shipped to the Account Debtor or for which the services giving rise to such Account have not been performed by the applicable Loan Party; provided that services will be considered to have been performed for the following month for any Compressor Unit located at a customer location to the extent such services are billed for while the Compressor Unit is operating or is in place and intended to be operated at such customer location, or (ii) if such Account was invoiced more than once;

(i) with respect to which any check or other instrument of payment has been returned uncollected for any reason;

(j) which is owed by an Account Debtor which has (i) applied for, suffered, or consented to the appointment of any receiver, custodian, trustee, or liquidator of its assets, (ii) had possession of all or a material part of its property taken by any receiver, custodian, trustee or liquidator, (iii) filed, or had filed against it, any request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as bankrupt, winding-up, or voluntary or involuntary case under any state or federal bankruptcy laws (other than post-petition accounts payable of an Account Debtor that is a debtor-in-possession under the Bankruptcy Code and reasonably acceptable to the Administrative Agent), (iv) admitted in writing its inability, or is generally unable, to pay its debts as they become due, (v) become insolvent, or (vi) ceased operation of its business;

(k) which is owed by any Account Debtor which has sold all or substantially all of its assets;

(l) which is owed by an Account Debtor which (i) does not maintain its chief executive office in the U.S. or Canada or (ii) is not organized under applicable law of the U.S., any state of the U.S., or the District of Columbia, Canada, or any province of Canada unless, in any such case, such Account is backed by a Letter of Credit acceptable to the Administrative Agent which is in the possession of, and is directly drawable by, the Administrative Agent;

(m) which is owed in any currency other than U.S. dollars;

(n) which is owed by (i) any Governmental Authority (or any department, agency, public corporation, or instrumentality thereof) of any country other than the U.S. unless such Account is backed by a Letter of Credit acceptable to the Administrative Agent which is in the possession of, and is directly drawable by, the Administrative Agent, or (ii) any Governmental Authority of the U.S., or any department, agency, public corporation, or instrumentality thereof, unless the Federal Assignment of Claims Act of 1940, as amended (31 U.S.C. § 3727 et seq. and 41 U.S.C. § 15 et seq.), and any other steps necessary to perfect the Lien of the Administrative Agent in such Account have been complied with to the Administrative Agent's satisfaction;

(o) which is owed by any Affiliate of any Loan Party or any employee, officer, director, agent or holder of Equity Interests of any Loan Party or any of its Affiliates;

(p) which, for any Account Debtor, exceeds a credit limit determined by the Administrative Agent in its Permitted Discretion, to the extent of such excess;

(q) which is owed by an Account Debtor or any Affiliate of such Account Debtor to which any Loan Party is indebted, but only to the extent of such indebtedness, or is subject to any security, deposit, progress payment, retainage or other similar advance made by or for the benefit of an Account Debtor, in each case to the extent thereof;

(r) which is subject to any counterclaim, deduction, defense, setoff or dispute but only to the extent of any such counterclaim, deduction, defense, setoff or dispute;

(s) which is evidenced by any promissory note, chattel paper or instrument (unless consent is provided by the Administrative Agent in writing);

(t) which is owed by an Account Debtor (i) located in any jurisdiction which requires filing of a "Notice of Business Activities Report" or other similar report in order to permit the applicable Loan Party to seek judicial enforcement in such jurisdiction of payment of such Account, unless such Loan Party has filed such report or is qualified to do business in such jurisdiction or (ii) which is a Sanctioned Person;

(u) with respect to which the applicable Loan Party has made any agreement with the Account Debtor for any reduction thereof, other than discounts and adjustments given in the ordinary course of business but only to the extent of any such reduction, or any Account which was partially paid and the applicable Loan Party created a new receivable for the unpaid portion of such Account;

(v) which does not comply in all material respects with the requirements of all applicable laws and regulations, whether Federal, state or local, including without limitation the Federal Consumer Credit Protection Act, the Federal Truth in Lending Act and Regulation Z of the Federal Reserve Board;

(w) which is for goods that have been sold under a purchase order or pursuant to the terms of a contract or other agreement or understanding (written or oral) that indicates or purports that any Person other than the applicable Loan Party has or has had an ownership interest in such goods, or which indicates any party other than the applicable Loan Party as payee or remittance party;

(x) which was created on cash on delivery terms; or

(y) which the Administrative Agent determines in its Permitted Discretion may not be paid by reason of the Account Debtor's inability to pay.

In the event that an Account which was previously an Eligible Account ceases to be an Eligible Account hereunder, the Borrower Representative shall notify the Administrative Agent thereof on and at the time of submission to the Administrative Agent of the next Borrowing Base Certificate. In determining the amount of an Eligible Account, the face amount of an Account may, in the Administrative Agent's Permitted Discretion, be reduced by, without duplication, to the extent not reflected in such face amount, (i) the amount of all accrued and actual discounts,

claims, credits or credits pending, promotional program allowances, price adjustments, finance charges or other allowances (including any amount that the applicable Loan Party may be obligated to rebate to an Account Debtor pursuant to the terms of any agreement or understanding (written or oral)) and (ii) the aggregate amount of all cash received in respect of such Account but not yet applied by the applicable Loan Party to reduce the amount of such Account.

“**Eligible Compressor Components**” means the Eligible Inventory owned by any Loan Party consisting of Compressor Components.

“**Eligible Inventory**” means, at any time, the Inventory of any Loan Party which the Administrative Agent determines in its Permitted Discretion is eligible as the basis for the extension of Revolving Loans and Swingline Loans and the issuance of Letters of Credit. Without limiting the Administrative Agent’s discretion provided herein, Eligible Inventory shall not include any Inventory:

- (a) which is not subject to a first priority perfected Lien in favor of the Administrative Agent;
- (b) which is subject to any Lien other than (i) a Lien in favor of the Administrative Agent and (ii) a Permitted Encumbrance which does not have priority over the Lien in favor of the Administrative Agent;
- (c) which is, in the Administrative Agent’s opinion based on its Permitted Discretion, slow moving, obsolete, unmerchantable, defective, used, unfit for sale, not salable at prices approximating at least the cost of such Inventory in the ordinary course of business or unacceptable due to age, type, category and/or quantity;
- (d) with respect to which any covenant, representation or warranty contained in this Agreement or in the Security Agreement has been breached or is not true and which does not conform to all standards imposed by any Governmental Authority;
- (e) in which any Person other than the applicable Loan Party shall (i) have any direct or indirect ownership, interest or title or (ii) be indicated on any purchase order or invoice with respect to such Inventory as having or purporting to have an interest therein;
- (f) which (i) constitutes work-in-process or raw materials; provided that Compressor Components are not raw materials, or (ii) constitutes packaging and shipping material, manufacturing supplies, samples, prototypes, displays or display items, bill-and-hold or ship-in-place goods, goods that are returned or marked for return, repossessed goods, defective or damaged goods, goods held on consignment, or goods which are not of a type (x) held for sale, lease or rental or (y) to be used to provide compression services, in each case in the ordinary course of business;
- (g) which is not located in the U.S. or is in transit with a common carrier from vendors and suppliers, provided that, up to \$10,000,000 of Inventory in transit between any fleet lessee customers and/or the Loan Parties may be included as eligible pursuant to this clause (g) so long as the Administrative Agent shall have received evidence of satisfactory casualty insurance naming the Administrative Agent as lender loss payee and otherwise covering such risks as the Administrative Agent may reasonably request;

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(h) which is located in any location leased by a Loan Party unless (i) the lessor has delivered to the Administrative Agent a Collateral Access Agreement or (ii) a Rent Reserve for rent, charges and other amounts due or to become due with respect to such facility has been established by the Administrative Agent in its Permitted Discretion;

(i) which is located in any third party warehouse or is in the possession of a bailee (other than a third party processor) and is not evidenced by a Document, unless (i) such warehouseman or bailee has delivered to the Administrative Agent a Collateral Access Agreement and such other documentation as the Administrative Agent may reasonably require or (ii) an appropriate Rent Reserve for rent, charges and other amounts due or to become due with respect to such location has been established by the Administrative Agent in its Permitted Discretion;

(j) which is being processed offsite at a third party location or outside processor, or is in-transit to or from such third party location or outside processor, unless (i) such processor or other third party has delivered to the Administrative Agent a Collateral Access Agreement and such other documentation as the Administrative Agent may reasonably require or (ii) an appropriate Rent Reserve has been established by the Administrative Agent in its Permitted Discretion;

(k) which is located at any customer site or location or is in the possession of a customer of a Loan Party, unless such customer has delivered to the Administrative Agent a Collateral Access Agreement or such other documentation as the Administrative Agent may reasonably require, including, without limitation, a gas compression agreement with terms acceptable to the Administrative Agent; provided that this subsection (k) shall not apply to Inventory (other than Compressor Units) that is both (x) located at a customer site or location and (y) that is affixed to a Loan Party's Compressor Units or located in a conex box or unit leased or owned by a Loan Party, in each case on a customer site or location;

(l) which is a discontinued product or component thereof;

(m) which is the subject of a consignment by any Loan Party as consignor;

(n) which is perishable;

(o) which contains or bears any intellectual property rights licensed to a Loan Party unless the Administrative Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor, (ii) violating any contract with such licensor, or (iii) incurring any liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement;

(p) which is not reflected in a current perpetual inventory report of the Loan Parties (unless such Inventory is reflected in a report to the Administrative Agent as "in transit" Inventory);

- (q) for which reclamation rights have been asserted by the seller; or
- (r) which has been acquired from a Sanctioned Person.

In the event that Inventory which was previously Eligible Inventory ceases to be Eligible Inventory hereunder, the Borrower Representative shall notify the Administrative Agent thereof on and at the time of submission to the Administrative Agent of the next Borrowing Base Certificate.

**“Eligible New Rental Fleet”** means Eligible Rental Compressors, whether held or deployed by any Loan Party in the ordinary course of business, and which are not included in a recent appraisal delivered with respect to the applicable Eligible Rental Compressors, which is prepared on a basis satisfactory to the Administrative Agent, and ordered and received by the Administrative Agent pursuant to [Section 5.12](#).

**“Eligible Rental Compressors”** means the Eligible Inventory owned by any Loan Party consisting of Compressor Units.

**“Environmental Laws”** means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, Release or threatened Release of any Hazardous Material or to health and safety matters.

**“Environmental Liability”** means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Borrower or Subsidiary directly or indirectly resulting from or based upon (a) any violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) any exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

**“Equipment”** has the meaning assigned to such term in the Security Agreement.

**“Equity Cure Period”** has the meaning assigned to such term in [Section 7.02](#).

**“Equity Interests”** means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing, but excluding any debt securities convertible into any of the foregoing.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

**“ERISA Affiliate”** means any trade or business (whether or not incorporated) that, together with a Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(14) of ERISA or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

**“ERISA Event”** means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder, with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the failure of a Plan to meet the minimum funding standards under Section 412 of the Code or Section 302 of ERISA (determined without regard to any waiver of the funding provisions therein or in Section 430 of the Code or Section 303 of ERISA); (c) the filing pursuant to Section 412 of the Code or Section 302 of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by any Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by any Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by any Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by any Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from any Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent, in critical status or in reorganization within the meaning of Title IV of ERISA.

**“EU Bail-In Legislation Schedule”** means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

**“Event of Default”** has the meaning assigned to such term in Article VII.

**“Excluded Accounts”** has the meaning assigned to such term in the Security Agreement.

**“Excluded Swap Obligation”** means, with respect to any Obligor individually determined on an Obligor by Obligor basis, any Swap Obligation if, and solely to the extent that, all or a portion of the Guarantee of such Obligor of, or the grant by such Obligor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) (a) by virtue of such Obligor’s failure for any reason to constitute an ECP at the time the Guarantee of such Obligor or the grant of such security interest becomes or would become effective with respect to such Swap Obligation or (b) in the case of a Swap Obligation subject to a clearing requirement pursuant to Section 2(h) of the Commodity Exchange Act (or any successor provision thereto), because such Obligor is a “financial entity,” as defined in Section 2(h)(7)(C)(i) of the Commodity Exchange Act (or any successor provision thereto), at the time the Guarantee of such Obligor becomes or would become effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

**“Excluded Taxes”** means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed

on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes; (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan, Letter of Credit or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan, Letter of Credit or Commitment (other than pursuant to an assignment request by the Borrowers under [Section 2.19\(b\)](#)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to [Section 2.17](#), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in a Loan, Letter of Credit or Commitment or to such Lender immediately before it changed its lending office; (c) Taxes attributable to such Recipient's failure to comply with [Section 2.17\(f\)](#); and (d) any withholding Taxes imposed under FATCA.

“**Existing Borrowers**” has the meaning set forth in the introductory paragraph hereto.

“**Existing Credit Agreement**” has the meaning assigned to such term in the recitals hereto.

“**Existing Indebtedness**” has the meaning assigned to such term in the recitals hereto.

“**Existing Letter of Credit**” means each letter of credit issued prior to the Effective Date by a Person that shall be an Issuing Bank and listed on [Schedule 2.06](#).

“**Existing Members**” means, collectively, Frontier Acquisition I, Inc., a Delaware corporation, and Frontier Acquisition II, Inc., a Delaware corporation.

“**Existing Term Benchmark Loans**” has the meaning assigned to such term in [Section 2.02\(b\)](#).

“**Exiting Lender**” has the meaning assigned to such term in [Section 9.25](#).

“**FATCA**” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“**Federal Funds Effective Rate**” means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depository institutions (as determined in such manner as shall be set forth on the NYFRB's Website from time to time) and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, provided that, if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“**Federal Reserve Board**” means the Board of Governors of the Federal Reserve System of the United States of America.

“**Fee Letter**” means any letter agreement entered into on the date hereof, prior hereto or at any time hereafter between the Kodiak Borrower and the Administrative Agent, the Lead Left Lead Arranger and/or any of their Affiliates providing for the payment of fees to the Administrative Agent, the Lead Left Lead Arranger and/or any of their Affiliates in connection with this Agreement or any transactions contemplated hereby or related thereto, as such letter agreement and such other agreements may from time to time be amended, restated, supplemented or modified.

“**FIFO Basis**” means a determination made on a first-in, first-out basis in accordance with GAAP.

“**Financial Officer**” means the chief financial officer, principal accounting officer, treasurer or controller of a Borrower.

“**Fixed Charge Coverage Ratio**” means, for any period, the ratio of (a)(i) EBITDA minus (ii) the unfinanced portion of Capital Expenditures; provided that, for purposes of calculating the unfinanced portion of Capital Expenditures for clause (a)(ii) of the Fixed Charge Coverage Ratio, such unfinanced Capital Expenditures shall not exceed more than twenty percent (20%) of the total Capital Expenditures made to acquire or construct Compressor Units during such period net of all cash capital contributions; provided further that the unfinanced portion of Capital Expenditures for such period shall never be less than zero, to (b) Fixed Charges, all calculated for such period for the Kodiak Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP. For purposes of calculating the Fixed Charge Coverage Ratio, (i) EBITDA and cash Interest Expense for the fiscal quarter then ended shall be multiplied by four (4) and (ii) the unfinanced portion of Capital Expenditures and all other components of Fixed Charges shall be based on the amounts for the trailing twelve month period then ended.

“**Fixed Charges**” means, for any period, without duplication, cash Interest Expense, plus scheduled principal payments on Indebtedness (including, prior to a Successful IPO, any excess cash flow payment required under the Term Loan Credit Agreement) actually made during such period, plus expenses for (a) Taxes, (b) Tax expense associated with Taxes deemed the equivalent to income taxes pursuant to GAAP (e.g. Texas gross receipts tax) and (c) sales Tax expense (excluding in the case of this clause (c), sales Tax expense associated with the purchase or acquisition of assets), in each case paid in cash, plus dividends or distributions paid in cash to any equity holder of the Kodiak Borrower (excluding the Spring 2022 Restricted Payment but including, without limitation, any tax distributions to the members of the Kodiak Borrower permitted under Section 6.08), plus Capital Lease Obligation payments, plus cash contributions to any Plan, all calculated for the Kodiak Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP.

“**Fixtures**” has the meaning assigned to such term in the Security Agreement.

“**Flood Laws**” means the National Flood Insurance Reform Act of 1994 and related legislation.

“**Floor**” means the benchmark rate floor, if any, provided in this Agreement (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or



otherwise) with respect to the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR, as applicable. For the avoidance of doubt, the Floor for each of the Adjusted Term SOFR Rate or the Adjusted Daily Simple SOFR shall be 0.00%.

“**Foreign Lender**” means any Lender that is organized under the laws of a jurisdiction other than that in which a Borrower is located. For purposes of this definition, the United States of America, each state thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“**Foreign Subsidiary**” means any Subsidiary which is not a Domestic Subsidiary.

“**Frontier Borrower**” has the meaning set forth in the introductory paragraph hereto.

“**Frontier Intermediate Holdco Entities**” means each subsidiary of the Frontier Borrower that, directly or indirectly, owns Equity Interests of the Kodiak Borrower.

“**Frontier Pledge Agreement**” means that certain Pledge and Limited Guaranty Agreement, dated as of June 9, 2022, among Kodiak Corp, the Administrative Agent and (solely for the purpose of acknowledging such pledge agreement) the Frontier Borrower, for the benefit of the Administrative Agent and the Lenders and the other holders of the Secured Obligations, and any other pledge agreement entered into for the benefit of the Administrative Agent and the Lenders and the other Secured Parties by Kodiak Corp (as required by this Agreement or any other Loan Document) or any other Person that becomes a holder of Equity Interests of the Frontier Borrower, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**Funding Account**” has the meaning assigned to such term in Section 4.01(g).

“**GAAP**” means generally accepted accounting principles in the U.S.

“**Governmental Authority**” means the government of the U.S., any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“**Guarantee**” of or by any Person (the “**guarantor**”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “**primary obligor**”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

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“**Guaranteed Obligations**” has the meaning assigned to such term in Section 10.01.

“**Hazardous Materials**” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“**IFRS**” means the body of pronouncements issued by the International Accounting Standards Board (IASB), including International Financial Reporting Standards and interpretations approved by the IASB, International Accounting Standards and Standing Interpretations Committee interpretations approved by the predecessor International Accounting Standards Committee and adapted for use in the European Union.

“**Indebtedness**” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (j) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances, (k) obligations under any liquidated earn-out, (l) any other Off-Balance Sheet Liability and (m) obligations, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (i) any and all Swap Agreements, and (ii) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Agreement transaction. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

“**Indemnified Taxes**” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Obligor under any Loan Document and (b) to the extent not otherwise described in the foregoing clause (a) hereof, Other Taxes.

“**Indemnitee**” has the meaning assigned to such term in Section 9.03(b).

“**Ineligible Institution**” has the meaning assigned to such term in Section 9.04(b).

“**Information**” has the meaning assigned to such term in Section 9.12.

“**Interest Coverage Ratio**” means, at any date, the ratio of (a) EBITDA for the fiscal quarter then ended as of such date multiplied by four (4) to (b) cash Interest Expense calculated for the period of four consecutive fiscal quarters ended on such date (or, in either case, if such date is not the last day of a fiscal quarter, ended on the last day of the fiscal quarter most recently ended prior to such date).

“**Interest Election Request**” means a request by the Borrower Representative to convert or continue a Borrowing in accordance with Section 2.08.

“**Interest Expense**” means, for any period, total interest expense (including that attributable to Capital Lease Obligations) of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries for such period with respect to all outstanding Indebtedness of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries (including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptances and net costs under Swap Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP), calculated on a consolidated basis for the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries for such period in accordance with GAAP. Notwithstanding anything herein to the contrary, after the occurrence of a Successful IPO, Interest Expense shall exclude any interest expense related to the Term Loan Credit Agreement, notwithstanding that (a) any such interest expense was paid prior to a Successful IPO and/or (b) any related calculation of the Interest Coverage Ratio includes any period taking place prior to a Successful IPO.

“**Interest Payment Date**” means (a) with respect to any CBFR Loan (other than a Swingline Loan), the first Business Day of each calendar month, upon any prepayment and the Maturity Date, (b) with respect to any RFR Loan, (1) each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no numerically corresponding day in such month, then the last day of such month) and (2) the Maturity Date, (c) with respect to any Term Benchmark Loan, (1) the last day of each Interest Period applicable to the Borrowing of which such Loan is a part (and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period), upon any prepayment and (2) the Maturity Date, and (d) with respect to any Swingline Loan, (1) the day that such Swingline Loan is required to be repaid and (2) the Maturity Date.

“**Interest Period**” means, with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment), as the Borrower Representative may elect; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no

numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (iii) no tenor that has been removed from this definition pursuant to Section 2.14(e) shall be available for specification in such Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and, in the case of a Borrowing that is continued or converted, the date of such Borrowing thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“**Inventory**” has the meaning assigned to such term in the Security Agreement.

“**IRS**” means the United States Internal Revenue Service.

“**Issuing Banks**” means, individually and collectively, each of JPMCB, in its capacity as the issuer of Letters of Credit hereunder, and any other Lender from time to time designated by the Borrower Representative as an Issuing Bank, with the consent of such Lender and the Administrative Agent, and their respective successors in such capacity as provided in Section 2.06(i). Any Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by its Affiliates, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate (it being agreed that such Issuing Bank shall, or shall cause such Affiliate to, comply with the requirements of Section 2.06 with respect to such Letters of Credit), and the term “**Issuing Bank**” means each or any one of them individually, as the context may require. At any time there is more than one Issuing Bank, all singular references to the Issuing Bank shall mean any Issuing Bank, either Issuing Bank, each Issuing Bank, the Issuing Bank that has issued the applicable Letter of Credit, or both (or all) Issuing Banks, as the context may require.

“**Issuing Bank Sublimits**” means, as of the Effective Date, (i) \$25,000,000, in the case of JPMCB, and (ii) such amount as shall be designated to the Administrative Agent and the Borrower Representative in writing by an Issuing Bank; provided that any Issuing Bank shall be permitted at any time to increase or reduce its Issuing Bank Sublimit upon providing five (5) days’ prior written notice thereof to the Administrative Agent and the Borrower Representative.

“**Joinder Agreement**” means a Joinder Agreement in substantially the form of Exhibit D.

“**Joint Bookrunners**” means JPMCB, Bank OZK, Bank of America, N.A., NYCB Specialty Finance Company, LLC, PNC Bank, National Association, Fifth Third Bank, National Association, Regions Bank and Truist Securities, Inc., each in its capacity as a joint bookrunner.

“**Joint Lead Arrangers**” means Bank OZK, Bank of America, N.A., NYCB Specialty Finance Company, LLC, PNC Bank, National Association, Fifth Third Bank, National Association, Regions Bank and Truist Securities, Inc., each in its capacity as a joint lead arranger.

“**JPMCB**” means JPMorgan Chase Bank, N.A., a national banking association, in its individual capacity, and its successors.

“**Kodiak Borrower**” has the meaning set forth in the introductory paragraph hereto.

**“Kodiak Cares Foundation”** means Kodiak Cares Foundation, a 501(c)(3) organization which is a wholly-owned direct subsidiary of the Kodiak Borrower.

**“Kodiak Corp”** means Kodiak Gas Services, Inc. (f/k/a Frontier Topco, Inc.), a Delaware corporation.

**“Kodiak Corp Intermediate Entities”** means each subsidiary of Kodiak Corp that, directly or indirectly, owns equity interests of the Kodiak Borrower.

**“Kodiak Corp Joinder”** means the receipt by the Administrative Agent of the following documents and/or agreements: (a) a Joinder Agreement executed by Kodiak Corp and each Kodiak Corp Intermediate Entity (to the extent such Kodiak Corp Intermediate Entity is not already party hereto as an Obligor) (provided that, for the avoidance of doubt, the Joinder Agreement to be executed by Kodiak Corp shall be modified, in form and substance reasonably satisfactory to the Administrative Agent, to cause Frontier Borrower to assign its rights, duties, liabilities and obligations as a Borrower to Kodiak Corp and Kodiak Corp to accept such assignment from the Frontier Borrower); (b) an “Assumption Agreement” (as defined in the Security Agreement) executed by Kodiak Corp and each Kodiak Corp Intermediate Entity (to the extent such Kodiak Corp Intermediate Entity is not already party to the Security Agreement as a “Grantor” (as defined therein)); (c) a certificate of Kodiak Corp and each Kodiak Corp Intermediate Entity providing a Joinder Agreement and/or an Assumption Agreement, dated as of the date of delivery and executed by its Secretary or Assistant Secretary or a Responsible Officer thereof (or other officer of such Person reasonably satisfactory to the Administrative Agent), which shall (1) certify the resolutions of its Board of Directors, members or other body authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (2) identify by name and title and bear the signatures of the officers of such Person authorized to sign the Loan Documents to which it is a party and, in the case of Kodiak Corp, at least one of its Financial Officers, and (3) contain appropriate attachments, including the certificate or articles of incorporation or organization of Kodiak Corp and each such Kodiak Corp Intermediate Entity certified by the relevant authority of the jurisdiction of organization of such Person and a true and correct copy of its by-laws or operating, management or partnership agreement or other organizational or governing documents; (d) a long form good standing certificate for Kodiak Corp and each such Kodiak Corp Intermediate Entity from its jurisdiction of organization or the substantive equivalent available in the jurisdiction of organization for each such Person from the appropriate governmental officer in such jurisdiction, in each case as of a recent date; (e) a written opinion of counsel to Kodiak Corp and such Kodiak Corp Intermediate Entities (addressed to the Administrative Agent, the Issuing Banks and the Lenders and other holders of the Secured Obligations) in form and substance reasonably satisfactory to the Administrative Agent and its counsel; and (f) a properly completed and signed IRS Form W-8 or W-9, as applicable, for Kodiak Corp and each such Kodiak Corp Intermediate Entity. In addition to the foregoing, and notwithstanding anything to the contrary herein, the Administrative Agent and the Lenders shall have received, at least five (5) Business Days prior to the Qualified IPO Date, (i) all documentation and other information required by bank regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the USA PATRIOT Act, and (ii) to the extent Kodiak Corp or any Kodiak Corp Intermediate Entity providing a Joinder Agreement and/or an Assumption Agreement qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to Kodiak Corp or such Kodiak Corp Intermediate Entity, in each case, to the extent reasonably requested by the Administrative Agent on behalf of any such Lender at least ten (10) Business Days prior to the Qualified IPO Date.

“**Kodiak Pledge Agreement**” means that certain Second Amended and Restated Pledge and Limited Guaranty Agreement, dated as of October 24, 2019, among the Existing Members, the Administrative Agent and (solely for the purpose of acknowledging such pledge agreement) the Kodiak Borrower, for the benefit of the Administrative Agent and the Lenders and the other holders of the Secured Obligations, and any other pledge agreement entered into for the benefit of the Administrative Agent and the Lenders and the other Secured Parties by any Existing Member (as required by this Agreement or any other Loan Document) or any other Person that becomes a holder of Equity Interests of the Kodiak Borrower, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**LC Collateral Account**” has the meaning assigned to such term in [Section 2.06\(j\)](#).

“**LC Disbursement**” means a payment made by an Issuing Bank pursuant to a Letter of Credit.

“**LC Exposure**” means, at any time, the sum of the Commercial LC Exposure and the Standby LC Exposure. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the aggregate LC Exposure at such time.

“**Lead Left Lead Arranger**” means JPMCB in its capacity as lead left lead arranger.

“**Lenders**” means, as of any date of determination, the Persons listed on the [Commitment Schedule](#) attached hereto and any other Person that shall have become a Lender hereunder pursuant to an Additional Lender Agreement or an Assignment and Assumption or otherwise (other than any such Person that ceases to be a Lender hereunder pursuant to an Assignment and Assumption or otherwise); provided that if the Commitments have terminated or expired, a Lender means any of the foregoing Persons with Revolving Exposure. Unless the context otherwise requires, the term “**Lenders**” includes the Swingline Lender and the Issuing Banks.

“**Letters of Credit**” means the letters of credit issued pursuant to this Agreement and shall include each Existing Letter of Credit, and the term “**Letter of Credit**” means any one of them or each of them singularly, as the context may require.

“**Leverage Financial Covenant**” has the meaning assigned to such term in [Section 7.02\(a\)](#).

“**Leverage Ratio**” means, on any date, the ratio of (a) Total Indebtedness on such date to (b) EBITDA for the fiscal quarter then ended as of such date multiplied by four (4) (or, if such date is not the last day of a fiscal quarter, ended on the last day of the fiscal quarter most recently ended prior to such date).

“**Liabilities**” means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

“**Lien**” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of

a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“**LLC Agreement**” means that certain Fifth Amended and Restated Limited Liability Company Agreement of the Kodiak Borrower dated as of February 8, 2019, as may be amended, restated, supplemented or otherwise modified pursuant to the terms of this Agreement.

“**Loan Borrowing Option**” has the meaning assigned to such term in the DDA Access Product Agreement.

“**Loan Documents**” means, collectively, this Agreement, any Commitment Increase Agreements, any Additional Lender Agreements, any promissory notes issued pursuant to this Agreement, any Letter of Credit applications, the Collateral Documents, each Compliance Certificate, the Loan Guaranty, any Fee Letter, the Perfection Certificate and all other agreements, instruments, documents and certificates identified in Section 4.01 executed and delivered to, or in favor of, the Administrative Agent or any Lender and including all other pledges, powers of attorney, consents, assignments, fee letters, contracts, notices, letter of credit agreements, letter of credit applications and any agreements between the Borrower Representative and any Issuing Bank regarding such Issuing Bank’s Issuing Bank Sublimit or the respective rights and obligations between the Borrowers and any Issuing Bank in connection with the issuance of Letters of Credit and all other written matter whether heretofore, now or hereafter executed by or on behalf of any Obligor, or any authorized employee of any Obligor, and delivered to the Administrative Agent or any Lender in connection with this Agreement or the transactions contemplated hereby. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to this Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

“**Loan Guarantor**” means, collectively, the Borrowers, each Subsidiary of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) that guarantees the Secured Obligations pursuant to Section 10.01 and any other Person who becomes a Loan Party pursuant to a Joinder Agreement and their respective successors and assigns. As of the Effective Date, the Frontier Borrower, the Kodiak Borrower, Pegasus Optimization Employer, LLC, a Delaware limited liability company, Pegasus Optimization Managers, LLC, a Delaware limited liability company, Pegasus EOR, LLC, a Delaware limited liability company, and PRM Compression II, LLC, a Wyoming limited liability company, are the Loan Guarantors.

“**Loan Guaranty**” means Article X of this Agreement.

“**Loan Parties**” means (x) prior to the occurrence of a Successful IPO, collectively, the Kodiak Borrower and the other Loan Guarantors (other than the Frontier Borrower) at any time party hereto and (y) after the occurrence of a Successful IPO, collectively, Kodiak Corp, the Kodiak Borrower and the other Loan Guarantors (other than the Kodiak Corp Intermediate Entities) at any time party hereto, and, in each case, the term “**Loan Party**” means any one of them or all of them individually, as the context may require.

“**Loans**” means the loans and advances made by the Lenders pursuant to this Agreement, including Swingline Loans, Overadvances and Protective Advances.

“**Margin Stock**” means margin stock within the meaning of Regulations T, U and X of the Federal Reserve Board, as applicable.

“**Material Adverse Effect**” means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Obligors and their Subsidiaries taken as a whole, (b) the ability of any Obligor to perform any of its obligations under the Loan Documents to which it is a party, (c) the Collateral or the Administrative Agent’s Liens (on behalf of itself and the Lenders and other Secured Parties) on the Collateral or the priority of such Liens, or (d) the rights of or benefits available to the Administrative Agent, the Issuing Banks or the Lenders under any of the Loan Documents.

“**Material Agreements**” means, as of any date of determination, the agreements and contracts representing (a) the ten (10) most significant customer agreements or contracts of the Obligors assessed by revenue as of such date and (b) the ten (10) most significant agreements or contracts with any vendors or suppliers of the Obligors assessed by Obligor spend as of such date.

“**Material Indebtedness**” means Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of any one or more of the Borrowers and their Subsidiaries in an aggregate principal amount exceeding \$25,000,000. For purposes of determining Material Indebtedness, the obligations of the Borrowers or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

“**Maturity Date**” means (a) at any time prior to a Successful IPO, the earliest of (i) March 22, 2028, (ii) the date that is six (6) months prior to the maturity date of the Term Loan Indebtedness (except to the extent the Term Loan Indebtedness is no longer a direct or indirect obligation of Kodiak Corp or any of its subsidiaries on such date, either through the occurrence of the Term Loan Refinancing or the prepayment of the Term Loan Indebtedness, in each case, in accordance with the terms hereof) and (iii) any date on which the Commitments are reduced to zero or otherwise terminated pursuant to the terms hereof, and (b) at any time after a Successful IPO, means March 22, 2028 or any earlier date on which the Commitments are reduced to zero or otherwise terminated pursuant to the terms hereof.

“**Maximum Rate**” has the meaning assigned to such term in [Section 9.17](#).

“**Maximum Liability**” has the meaning assigned to such term in [Section 10.10](#).

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Multiemployer Plan**” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“**Net Income**” means, for any period, the consolidated net income (or loss) of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries, determined on a



consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income (or deficit) of any Person accrued prior to the date it becomes a Subsidiary or is merged into or consolidated with the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any of its Subsidiaries, (b) the income (or deficit) of any Person (other than a Subsidiary) in which the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any of its Subsidiaries has an ownership interest, except to the extent that any such income is actually received by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or such Subsidiary in the form of dividends or similar distributions, (c) the undistributed earnings of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any contractual obligation (other than under any Loan Document) or Requirement of Law applicable to such Subsidiary and (d) any Public Company Costs.

**“Net Orderly Liquidation Value”** means, with respect to Inventory of any Person, the orderly liquidation value thereof as set forth on the most recent appraisal delivered with respect to such Inventory and determined, in each case, in a manner acceptable to the Administrative Agent by an appraiser acceptable to the Administrative Agent in its Permitted Discretion, net of all costs of liquidation thereof.

**“Net Proceeds”** means, with respect to any event, (a) the cash proceeds received in respect of such event including (i) any cash received in respect of any non-cash proceeds (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment receivable or otherwise, but excluding any interest payments), but only as and when received, (ii) in the case of a casualty, insurance proceeds and (iii) in the case of a condemnation or similar event, condemnation awards and similar payments, *minus* (b) the sum of (i) all reasonable fees and out-of-pocket expenses paid to third parties (other than Affiliates) in connection with such event, (ii) in the case of a sale, transfer or other disposition of an asset (including pursuant to a sale and leaseback transaction or a casualty or a condemnation or similar proceeding), the amount of all payments required to be made as a result of such event to repay Indebtedness (other than Loans) secured by such asset or otherwise subject to mandatory prepayment as a result of such event and (iii) the amount of all taxes paid (or reasonably estimated to be payable) and the amount of any reserves established to fund contingent liabilities reasonably estimated to be payable, in each case during the year that such event occurred or the next succeeding year and that are directly attributable to such event (as determined reasonably and in good faith by a Financial Officer of the Borrower Representative).

**“Non-Consenting Lender”** has the meaning assigned to such term in Section 9.02(d).

**“Non-Paying Guarantor”** has the meaning assigned to such term in Section 10.11.

**“Non-Recourse Debt”** means Indebtedness of any direct or indirect parent of Kodiak Corp (a) as to which no Obligor nor any of its subsidiaries, (i) provides any guarantee or credit support of any kind (including any undertaking, guarantee, indemnity, agreement or instrument that would constitute Indebtedness) or (ii) is directly or indirectly liable (as a guarantor or otherwise), (b) the incurrence of which will not result in any recourse against any of the assets of an Obligor or its subsidiaries and (c) no default with respect to which would permit (upon notice, lapse of time or both) any holder of any Indebtedness (**“Obligor Debt”**) of an Obligor or any of its subsidiaries to declare a default on such Obligor Debt or cause or permit the payment of such Obligor Debt to be

accelerated or payable prior to its stated maturity (other than, in each case of this clause (c), solely as a result of the occurrence of a “change in control” or comparable term under the documentation governing such Obligor Debt).

“**NYFRB**” means the Federal Reserve Bank of New York.

“**NYFRB Rate**” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“**NYFRB’s Website**” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“**Obligated Party**” has the meaning assigned to such term in Section 10.02.

“**Obligations**” means all unpaid principal of and accrued and unpaid interest on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations and indebtedness (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding (or could accrue but for the operation of applicable bankruptcy or insolvency laws), whether or not allowed in such proceeding), obligations and liabilities of any of the Obligors to the Lenders or to any Lender, the Administrative Agent, any Issuing Bank or any indemnified party arising under the Loan Documents, provided, however, that solely with respect to any Loan Guarantor that is not an ECP, Excluded Swap Obligations of such Loan Guarantor shall in any event be excluded from “Obligations” owing by such Loan Guarantor.

“**Obligor Debt**” has the meaning assigned to such term in the definition of “Non-Recourse Debt”.

“**Obligors**” means (x) prior to the occurrence of a Successful IPO, collectively, the Loan Parties and the Frontier Borrower and (y) after the occurrence of a Successful IPO, collectively, the Loan Parties and the Kodiak Corp Intermediate Entities, and, in each case, the term “**Obligor**” means any one of them or all of them individually, as the context may require.

“**OFAC**” means the Office of Foreign Assets Control of the United States Department of the Treasury.

“**Off-Balance Sheet Liability**” of a Person means (a) any repurchase obligation or liability of such Person with respect to accounts or notes receivable sold by such Person, (b) any indebtedness, liability or obligation under any so-called “synthetic lease” transaction entered into by such Person, or (c) any indebtedness, liability or obligation arising with respect to any other transaction which is the functional equivalent of or takes the place of borrowing but which does not constitute a liability on the balance sheets of such Person (other than operating leases).

**“Original Indebtedness”** has the meaning assigned to such term in Section 6.01(f).

**“Other Connection Taxes”** means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Taxes (other than a connection arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to, or enforced, any Loan Document, or sold or assigned an interest in any Loan, Letter of Credit or any Loan Document).

**“Other Taxes”** means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

**“Outstandings”** means, on any date, the sum of (a) the Aggregate Credit Exposure on such date and (b) the aggregate principal amount of the Term Loan Indebtedness outstanding on such date.

**“Overadvance”** has the meaning assigned to such term in Section 2.05(b).

**“Overadvance Exposure”** means, as to any Lender at any time, an amount equal to its Applicable Percentage, if any, of the aggregate principal amount of Overadvances outstanding at such time.

**“Overnight Bank Funding Rate”** means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions denominated in Dollars by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the NYFRB as set forth on the NYFRB’s Website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

**“Paid in Full”** or **“Payment in Full”** means, (a) the indefeasible payment in full in cash of all outstanding Loans and LC Disbursements, together with accrued and unpaid interest thereon, (b) the termination, expiration, or cancellation and return of all outstanding Letters of Credit (or alternatively, with respect to each such Letter of Credit, the furnishing to the Administrative Agent of a cash deposit, or at the discretion of the Administrative Agent a backup standby letter of credit satisfactory to the Administrative Agent and the applicable Issuing Bank, in an amount equal to 105% of the LC Exposure as of the date of such payment), (c) the indefeasible payment in full in cash of any accrued and unpaid fees payable hereunder, (d) the indefeasible payment in full in cash of all reimbursable expenses and other Obligations (other than Unliquidated Obligations for which no claim has been made and other obligations expressly stated to survive such payment and termination of this Agreement), together with accrued and unpaid interest thereon, and (e) the termination of all Commitments.

**“Parent”** means, with respect to any Lender, the Person as to which such Lender is, directly or indirectly, a subsidiary.

“**Participant**” has the meaning assigned to such term in Section 9.04(d).

“**Participant Register**” has the meaning assigned to such term in Section 9.04(e).

“**Paying Guarantor**” has the meaning assigned to such term in Section 10.11.

“**Payment**” has the meaning assigned to such term in Section 8.06(d).

“**Payment Conditions**” means, with respect to any Restricted Payment to be made pursuant to Section 6.08(a)(v), any investments, loans or advances to be made pursuant to Section 6.04(m) and any purchase, redemption, acquisition or other termination, payment or prepayment of the Term Loan Indebtedness pursuant to Section 6.08(b)(v), the satisfaction of the following conditions: (a) no Default or Event of Default shall have occurred and be continuing or would result after giving effect to such transaction, (b) the Borrowers shall have Availability, on a pro forma basis and at all times during the Pro Forma Period prior to the consummation of such transaction, exceeding the greater of (x) \$200,000,000 and (y) 10% (or, for any purchase, redemption, acquisition or other termination, payment or prepayment of the Term Loan Indebtedness pursuant to Section 6.08(b)(v) prior to a Successful IPO, 12.5%) of the Aggregate Commitment in effect at such time, (c) the Kodiak Borrower (or, after a Successful IPO, the Borrowers) shall be in pro forma compliance (on a pro forma basis after giving effect to such transaction) with the financial covenants contained in Section 6.12 and (d) the Borrower Representative shall have delivered to the Administrative Agent a certificate in form and substance reasonably satisfactory to the Administrative Agent certifying as to the items described in the foregoing clauses (a), (b) and (c) above and attaching calculations demonstrating compliance with the foregoing conditions.

“**Payment Notice**” has the meaning assigned to such term in Section 8.06(d).

“**PBGC**” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“**Perfection Certificate**” means that certain Perfection Certificate dated as of the date hereof, executed by each Obligor and addressed to the Administrative Agent.

“**Permitted Acquisition**” means any Acquisition by any Loan Party in a transaction that satisfies each of the following requirements:

- (a) such Acquisition is not a hostile or contested acquisition;
- (b) the business acquired in connection with such Acquisition is (i) located in the U.S., (ii) organized under applicable U.S. and state laws, and (iii) not engaged, directly or indirectly, in any line of business other than the businesses in which the Loan Parties are engaged on the Effective Date and any business activities that are substantially similar, related, or incidental thereto;
- (c) [reserved];

(d) as soon as available, but not less than fifteen (15) days (or such shorter time as agreed to by the Administrative Agent) prior to such Acquisition, the Borrower Representative has provided the Administrative Agent (i) notice of such Acquisition and (ii) a copy of all business and financial information reasonably requested by the Administrative Agent including pro forma financial statements, statements of cash flow, and Availability projections;

(e) if the Accounts and Inventory (other than Eligible New Rental Fleet) acquired in connection with such Acquisition are proposed to be included in the determination of the Borrowing Base (including, to the extent applicable, any amount of or increase in the Borrowing Base to be utilized to make Loans being applied to finance any such Acquisition on the date of the consummation of any such Acquisition and provided that, for the avoidance of doubt, no Accounts or Inventory may be included in the determination of the Borrowing Base unless they are held by a Loan Party at or immediately following completion of such Permitted Acquisition), the Administrative Agent shall have conducted an audit and field examination of such Accounts and Inventory (other than Eligible New Rental Fleet) of a type and scope substantially consistent with the audit and field examinations previously conducted by the Administrative Agent hereunder, the results of which shall be reasonably satisfactory to the Administrative Agent;

(f) [reserved];

(g) if such Acquisition is an acquisition of the Equity Interests of a Person, if commercially reasonable, such Acquisition is structured so that the acquired Person shall become (i) a wholly-owned Subsidiary of a Loan Party and (ii) a Loan Party to the extent otherwise required to be a Loan Party pursuant to the terms of this Agreement;

(h) if such Acquisition is an acquisition of assets, if commercially reasonable, such Acquisition is structured so that a Loan Party shall acquire such assets;

(i) if such Acquisition is an acquisition of Equity Interests, such Acquisition will not result in any violation of Regulation U;

(j) if such Acquisition involves a merger or a consolidation involving the Kodiak Borrower or any other Loan Party, the Kodiak Borrower or such Loan Party, as applicable, shall be the surviving entity;

(k) no Loan Party shall, as a result of or in connection with any such Acquisition, assume or incur any direct or contingent liabilities (whether relating to environmental, tax, litigation, or other matters) that could have a Material Adverse Effect;

(l) in connection with an Acquisition of the Equity Interests of any Person, all Liens on property of such Person shall be terminated unless either (i) such Liens are permitted under Section 6.02 or (ii) the Administrative Agent and the Lenders in their sole discretion consent otherwise, and in connection with an Acquisition of the assets of any Person, all Liens on such assets shall be terminated;

(m) the Borrower Representative shall certify to the Administrative Agent and the Lenders (and provide the Administrative Agent and the Lenders with a pro forma calculation in form and substance reasonably satisfactory to the Administrative Agent and the Lenders) that, after giving effect to the completion of such Acquisition, the Acquisition Payment Conditions are satisfied;

(n) all actions required to be taken with respect to any newly acquired or formed wholly-owned Subsidiary of the Kodiak Borrower or a Loan Party, as applicable, required under Section 5.15 shall have been taken; and

(o) the Borrower Representative shall have delivered to the Administrative Agent the final executed material documentation relating to such Acquisition within three (3) Business Days following the consummation thereof.

**“Permitted Discretion”** means a determination made in good faith and in the exercise of reasonable (from the perspective of a secured asset-based lender) business judgment.

**“Permitted Encumbrances”** means:

(a) Liens imposed by law for Taxes that are not yet due or are being contested in compliance with Section 5.04;

(b) carriers’, landlord’s, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than sixty (60) days or are being contested in compliance with Section 5.04;

(c) pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance and other social security laws or regulations;

(d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(e) judgment Liens in respect of judgments that do not constitute an Event of Default under clause (k) of Article VII;

(f) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of any Borrower or any subsidiary of a Borrower;

(g) Liens arising from precautionary UCC financing statement filings regarding operating leases entered into by any Borrower or any subsidiary of a Borrower, as lessees, in the ordinary course of business covering only the property of the lessor under such lease; and

(h) contractual landlord's Liens which arise in the ordinary course of business provided that any such Lien referred to in this clause (h) does not materially impair the use of the Property covered by such Lien for the purposes for which such Property is held by any Borrower or any other Obligor or materially impair the value of such Property subject thereto;

provided that the term "**Permitted Encumbrances**" shall not include any Lien securing Indebtedness, except with respect to clause (e) above.

**"Permitted Investments"** means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the U.S. (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the U.S.), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody's;

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the U.S. or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above; and

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least \$5,000,000,000.

**"Permitted Tax Distributions"** means an amount sufficient to permit each direct or indirect holder of Equity Interests in the Kodiak Borrower to satisfy its tax liability arising from allocations of income, gain, loss, deduction and credit of the Loan Parties, assuming such items were the only such items entering into the computation of tax liability of such equity holder for the taxable year in respect of which the Permitted Tax Distribution is made, in an amount not to exceed the highest marginal rate applicable to federal and state income tax liability of such equity holders.

**"Person"** means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**Plan**” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which any Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“**Plan Asset Regulations**” means 29 CFR § 2510.3-101 et seq., as modified by Section 3(42) of ERISA, as amended from time to time.

“**Prepayment Event**” means:

(a) any sale, transfer or other disposition (including pursuant to a sale and leaseback transaction) of any property or asset of any Obligor, other than dispositions described in Section 6.05(a); or

(b) any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of any Obligor; or

(c) (x) prior to the occurrence of a Successful IPO, the issuance by any Borrower of any Equity Interests, or the receipt by any Borrower of any capital contribution (including any EBITDA Curative Equity proceeds received) and (y) after the occurrence of a Successful IPO, the receipt by any Borrower of any EBITDA Curative Equity proceeds; or

(d) the incurrence by any Obligor of any Indebtedness, other than Indebtedness permitted under Section 6.01.

“**Prime Rate**” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“**Pro Forma Period**” means, the period commencing forty-five (45) days prior to the date of the event proposed by the Borrower Representative to occur, including the consummation of an Acquisition, the payment of a Restricted Payment or the making of an investment, as applicable.

“**Projections**” has the meaning assigned to such term in Section 5.01(c).

“**Protective Advance**” has the meaning assigned to such term in Section 2.04.

“**Protective Advance Exposure**” means, as to any Lender at any time, an amount equal to its Applicable Percentage, if any, of the aggregate principal amount of Protective Advances outstanding at such time.



“**PTE**” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“**Public Company Costs**” means one-time costs associated with commencing compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith, the provisions of the Securities Act of 1933, as amended, and the Exchange Act of 1934, as amended, and the rules of national securities exchange listed companies (in each case, as applicable to companies with equity or debt securities held by the public), including procuring directors’ and officers’ insurance, legal and other professional fees, and listing fees.

“**Public-Sider**” means any representative of a Lender that does not want to receive material non-public information within the meaning of federal and state securities laws.

“**QFC**” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“**QFC Credit Support**” has the meaning assigned to it in [Section 9.23](#).

“**Qualified ECP Guarantor**” means, in respect of any Swap Obligation, each Obligor that has total assets exceeding \$10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes or would become effective with respect to such Swap Obligation or such other person as constitutes an “eligible contract participant” under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an “eligible contract participant” at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“**Qualified IPO**” means a transaction that both (x) results in the equity interests of Kodiak Corp being publicly traded on any United States national securities exchange and (y) generates cash proceeds of at least \$350,000,000 (net of all related fees and expenses).

“**Qualified IPO Date**” has the meaning assigned to such term in [Section 5.01\(l\)](#).

“**Recipient**” means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, or any of the foregoing or any combination thereof (as the context requires).

“**Reference Time**” with respect to any setting of the then-current Benchmark means (a) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two (2) U.S. Government Securities Business Days preceding the date of such setting, (b) if the RFR for such Benchmark is Daily Simple SOFR, then four (4) Business Days prior to such setting or (c) if such Benchmark is none of the Term SOFR Rate or Daily Simple SOFR, the time determined by the Administrative Agent in its reasonable discretion.

“**Refinance Indebtedness**” has the meaning assigned to such term in [Section 6.01\(f\)](#).

“**Register**” has the meaning assigned to such term in [Section 9.04](#).

“**Regulated Lender Entity**” has the meaning assigned to such term in [Section 5.15\(d\)](#).

“**Regulation D**” means Regulation D of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Regulation T**” means Regulation T of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Regulation U**” means Regulation U of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Regulation X**” means Regulation X of the Federal Reserve Board, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“**Related Parties**” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, partners, members, trustees, employees, agents, administrators, managers, representatives and advisors of such Person and such Person’s Affiliates.

“**Release**” means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, disposing or dumping of any substance into the environment.

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board and/or the NYFRB or, in each case, any successor thereto.

“**Relevant Rate**” means (i) with respect to any Term Benchmark Borrowing, the Adjusted Term SOFR Rate or (ii) with respect to any RFR Borrowing, Adjusted Daily Simple SOFR, as applicable.

“**Rent Reserve**” means, with respect to any facility, warehouse distribution center, regional distribution center or depot where any Inventory subject to Liens arising by operation of law is located and with respect to which no Collateral Access Agreement is in effect, a reserve equal to (a) in the case of any leased location, all rent, charges and fees scheduled or customarily falling due for payment during (i) a three (3) month period at such facility, warehouse distribution center, regional distribution center or depot where any Inventory (other than Compressor Units) is stored or located and (ii) a six (6) month period at such facility, warehouse distribution center, regional distribution center or depot where any Compressor Units are stored or located, and (b) in the case of any other location, an amount determined by the Administrative Agent in its Permitted Discretion in respect of liabilities owed to the applicable consignee, bailee, processor or warehouseman.

“**Report**” means reports prepared by the Administrative Agent or another Person showing the results of appraisals, field examinations or audits pertaining to the assets of the Loan Parties from information furnished by or on behalf of the Borrowers, after the Administrative Agent has exercised its rights of inspection pursuant to this Agreement, which Reports may be distributed to the Lenders by the Administrative Agent.

“**Required Lenders**” means, at any time, Lenders (other than Defaulting Lenders) having Credit Exposure and unused Commitments representing more than fifty percent (50%) of the sum of the Aggregate Credit Exposure and unused Commitments; provided that, if there are only two non-affiliated Lenders at any time, Required Lenders shall mean both Lenders.

“**Requirement of Law**” means, with respect to any Person, (a) the charter, articles or certificate of organization or incorporation and bylaws or other organizational or governing documents of such Person and (b) any statute, law (including common law), treaty, rule, regulation, code, ordinance, order, decree, writ, judgment, injunction or determination of any arbitrator or court or other Governmental Authority (including Environmental Laws), in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“**Resolution Authority**” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“**Responsible Officer**” means the president, Financial Officer or other executive officer of a Borrower.

“**Restricted Payment**” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in any Obligor, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in such Obligor or any option, warrant or other right to acquire any such Equity Interests in such Obligor or any of its subsidiaries.

“**Revolving Exposure**” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Revolving Loans, LC Exposure, Overadvance Exposure and Swingline Exposure at such time.

“**Revolving Loan**” means a Loan made pursuant to Section 2.01.

“**RFR Borrowing**” means, as to any Borrowing, the RFR Loans comprising such Borrowing.

“**RFR Loan**” means a Loan that bears interest at a rate based on Adjusted Daily Simple SOFR.

“**S&P**” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business.

“**Sale and Leaseback Transaction**” has the meaning assigned to such term in Section 6.06.

“**Sanctioned Country**” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (as of the Effective Date, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea, Zaporizhzhia and Kherson Regions of Ukraine, Cuba, Iran, North Korea and Syria).

“**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State or by the United Nations Security Council, the European Union or any European Union member state, His Majesty’s Treasury of the United Kingdom or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“**Sanctions**” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state or His Majesty’s Treasury of the United Kingdom.

“**SEC**” means the Securities and Exchange Commission of the U.S.

“**Secured Leverage Ratio**” means, on any date, the ratio of (a) Senior Secured Debt on such date to (b) EBITDA for the fiscal quarter then ended as of such date multiplied by four (4) (or if such date is not the last day of a fiscal quarter, ended on the last day of the fiscal quarter most recently ended prior to such date).

“**Secured Obligations**” means all Obligations, together with all (a) Banking Services Obligations and (b) Swap Obligations owing to (i) one or more Lenders or their respective Affiliates, (ii) a Person who becomes a Lender or an Affiliate of a Lender after entering into any such Swap Agreement as the swap provider or (iii) a Person who was a Lender or an Affiliate of a Lender at time of entering into any such Swap Agreement as the swap provider (but excluding any transaction or confirmation under any Swap Agreement entered into (x) after such swap provider ceases to be a Lender or an Affiliate of a Lender or (y) after assignment by such swap provider to another swap provider that is not a Lender of an Affiliate of a Lender); provided, however, that the definition of “Secured Obligations” shall not create any guarantee by any Obligor of (or grant of security interest by any Obligor to support, as applicable) any Excluded Swap Obligations of such Obligor for purposes of determining any obligations of any Obligor.

“**Secured Parties**” means (a) the Administrative Agent, (b) the Lenders, (c) the Issuing Banks, (d) each provider of Banking Services Obligations, to the extent such Banking Services Obligations in respect thereof constitute Secured Obligations, (e) each counterparty to any Swap Agreement, to the extent the obligations thereunder constitute Secured Obligations, (f) the beneficiaries of each indemnification obligation undertaken by any Obligor under any Loan Document, and (g) the successors and assigns of each of the foregoing that are Lenders or Affiliates of Lender; provided that for purposes of clause (d) and clause (e) above, only to the extent the Banking Services Obligations and or obligations under any Swap Agreement, as applicable, owing to any such successor or assign constitute Secured Obligations.

“**Securities Account Control Agreement**” has the meaning assigned to such term in the Security Agreement.

“**Security Agreement**” means that certain Third Amended and Restated Security and Pledge Agreement, dated as of October 24, 2019, between the Obligors and the Administrative

Agent, for the benefit of the Administrative Agent and the Lenders and the other holders of the Secured Obligations, and any other pledge or security agreement entered into, after the date of this Agreement by any other Loan Party (as required by this Agreement or any other Loan Document) or any other Person for the benefit of the Administrative Agent and the Lenders and the other Secured Parties, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“**Senior Secured Debt**” means all Indebtedness of Kodiak Corp and its Subsidiaries included in the calculation of Total Indebtedness (including the outstanding principal amount of the Loans) that is secured and that is not expressly subordinated by its terms to the Obligations.

“**Settlement**” has the meaning assigned to such term in Section 2.05(d).

“**Settlement Date**” has the meaning assigned to such term in Section 2.05(d).

“**SOFR**” means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

“**SOFR Administrator**” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“**SOFR Administrator’s Website**” means the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“**SOFR Rate Day**” has the meaning specified in the definition of “Daily Simple SOFR”.

“**Specified Financial Statements**” has the meaning assigned to it in Section 4.01(b).

“**Spring 2022 Restricted Payment**” means one or more cash Restricted Payments to Sponsor occurring promptly (and in any event within fifteen (15) Business Days) after May 19, 2022 in an aggregate amount not to exceed \$825,000,000.

“**Soft Costs**” has the meaning assigned to such term in the definition of “Borrowing Base”.

“**Sponsor**” means, collectively, EQT AB and its Affiliates (provided that for the purpose of this definition, such term will include only such Persons as are exclusively Controlled, directly or indirectly, by EQT AB), together with the funds, partnerships or other co-investment vehicles managed, advised or Controlled thereby (but excluding any operating portfolio company of the foregoing).

“**Standby LC Exposure**” means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding standby Letters of Credit at such time *plus* (b) the aggregate amount of all LC Disbursements relating to standby Letters of Credit that have not yet been reimbursed by or on behalf of the Borrowers at such time. The Standby LC Exposure of any Lender at any time shall be its Applicable Percentage of the aggregate Standby LC Exposure at such time.

“**subsidiary**” means, with respect to any Person (the “**parent**”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

“**Subsidiary**” means any direct or indirect subsidiary of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or a Loan Party, as applicable. Notwithstanding the foregoing, the Kodiak Cares Foundation shall not be a Subsidiary for any purposes under this Agreement.

“**Successful IPO**” means the substantially contemporaneous occurrence of (i) the Qualified IPO, (ii) the Term Loan Refinancing and (iii) the Kodiak Corp Joinder.

“**Supported OFC**” has the meaning assigned to it in Section 9.23.

“**Swap Agreement**” means any agreement with respect to any swap, forward, spot, future, credit default or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions (including any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act); provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of any Obligor shall be a Swap Agreement.

“**Swap Obligations**” means any and all obligations of the Obligors, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Swap Agreements and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any Swap Agreement transaction.

“**Swingline Commitment**” shall mean the commitment of the Swingline Lender to make Swingline Loans pursuant to Section 2.05 in an aggregate principal amount at any one time outstanding not to exceed the greater of (a) \$25,000,000 and (b) 10% of the Aggregate Commitment. The Swingline Commitment is part of, and not in addition to, the Aggregate Commitment.

“**Swingline Exposure**” means, at any time, the aggregate principal amount of all outstanding Swingline Loans. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage of the aggregate Swingline Exposure at such time.

“**Swingline Lender**” means JPMCB (or any of its designated branch offices or affiliates), in its capacity as lender of Swingline Loans hereunder. Any consent required of the Administrative Agent or the Issuing Banks shall be deemed to be required of the Swingline Lender and any consent given by JPMCB in its capacity as Administrative Agent or an Issuing Bank shall be deemed given by JPMCB in its capacity as Swingline Lender.

“**Swingline Loan**” has the meaning assigned to such term in Section 2.05(a).

“**Target Balance**” has the meaning assigned to such term in the DDA Access Product Agreement.

“**Taxes**” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“**Term Benchmark**” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate.

“**Term Lenders**” has the meaning assigned to such term in the Term Loan Credit Agreement.

“**Term Loan Agent**” means Wells Fargo Bank, N.A., in its capacity as administrative agent for the Term Lenders under the Term Loan Credit Agreement, and its successors and permitted assigns.

“**Term Loan Borrowers**” means the Existing Borrowers.

“**Term Loan Credit Agreement**” means the Amended and Restated Credit Agreement dated as of May 19, 2022, among the Term Loan Borrowers, the Term Lenders and the Term Loan Agent, as the same is in effect on the Effective Date.

“**Term Loan Documents**” means the “Loan Documents” under and as defined in Term Loan Credit Agreement.

“**Term Loan Indebtedness**” has the meaning assigned to such term in Section 6.01(k).

“**Term Loan Refinancing**” means the occurrence of both (x) the repayment of the Term Loan Indebtedness (and any related fees and expenses) with 100% of the net cash proceeds of the Qualified IPO and (y) the refinancing and/or novation of the remaining Term Loan Indebtedness with Non-Recourse Debt that, collectively, result in all obligations and liabilities of Kodiak Corp and its subsidiaries (including the Obligor) under the Term Loan Documents being discharged, terminated and released in full.

“**Term SOFR Determination Day**” has the meaning assigned to it under the definition of “Term SOFR Reference Rate”.

“**Term SOFR Rate**” means, with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two (2) U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

“**Term SOFR Reference Rate**” means, for any day and time (such day, the “**Term SOFR Determination Day**”), and for any tenor comparable to the applicable Interest Period, the rate per annum published by the CME Term SOFR Administrator and identified by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on such Term SOFR Determination Day, the “Term SOFR Reference Rate” for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“**Total Indebtedness**” means, at any date, the aggregate principal amount of all Indebtedness of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries at such date, determined on a consolidated basis in accordance with GAAP.

“**Trade Date**” has the meaning assigned to such term in Section 9.04(g)(i).

“**Transactions**” means the execution, delivery and performance by the Obligor of this Agreement and the other Loan Documents, the borrowing of Loans and other credit extensions, the use of the proceeds thereof and the issuance of Letters of Credit hereunder.

“**Type**”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted Term SOFR Rate, Adjusted Daily Simple SOFR or the CB Floating Rate.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests.

“**UK Financial Institutions**” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“**UK Resolution Authority**” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“**Unadjusted Benchmark Replacement**” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.



“**Unliquidated Obligations**” means, at any time, any Secured Obligations (or portion thereof) that are contingent in nature or unliquidated at such time, including any Secured Obligation that is: (a) an obligation to reimburse a bank for drawings not yet made under a letter of credit issued by it; (b) any other obligation (including any guarantee) that is contingent in nature at such time; or (c) an obligation to provide collateral to secure any of the foregoing types of obligations.

“**Unsecured Debt**” has the meaning assigned to it in Section 6.01(l).

“**U.S.**” means the United States of America.

“**U.S. Government Securities Business Day**” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“**U.S. Person**” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“**U.S. Special Resolution Regime**” has the meaning assigned to it in Section 9.23.

“**U.S. Tax Compliance Certificate**” has the meaning assigned to such term in Section 2.17(f)(ii)(B)(3).

“**USA PATRIOT Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“**Withdrawal Liability**” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

“**Withholding Agent**” means any Obligor and the Administrative Agent.

“**Write-Down and Conversion Powers**” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “**Revolving Loan**”) or by Type (e.g., a

“**Term Benchmark Loan**”) or by Class and Type (e.g., a “**Term Benchmark Revolving Loan**”). Borrowings also may be classified and referred to by Class (e.g., a “**Revolving Borrowing**”) or by Type (e.g., a “**Term Benchmark Borrowing**”) or by Class and Type (e.g., a “**Term Benchmark Revolving Borrowing**”).

Section 1.03 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “law” shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply) and all judgments, orders and decrees of all Governmental Authorities. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to any restrictions on assignments set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (f) any reference in any definition to the phrase “at any time” or “for any period” shall refer to the same time or period for all calculations or determinations within such definition, and (g) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.04 Accounting Terms: GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if after the date hereof the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) migrates to IFRS or there occurs any change in GAAP or in the application thereof on the operation of any provision hereof and the Borrower Representative notifies the Administrative Agent that the Borrowers request an amendment to any provision hereof to eliminate the effect of such migration to IFRS or change in GAAP or in the application thereof (or if the Administrative Agent notifies the Borrower Representative that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such migration to IFRS or change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such migration or change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i)

without giving effect to any election under Financial Accounting Standards Board Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary at “fair value”, as defined therein and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Financial Accounting Standards Board Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof. Notwithstanding anything to the contrary contained in this Section 1.04 or the definitions of GAAP or of Capital Lease Obligations, in no event will any lease that would have been categorized as an operating lease as determined in accordance with GAAP prior to giving effect to the Financial Accounting Standards Board Accounting Standard Update 2016-02, Leases (Topic 842), issued in February 2016, or any other changes in GAAP subsequent to the Effective Date be considered a Capital Lease for purposes of such definitions or this Agreement.

Section 1.05 Pro Forma Adjustments for Acquisitions and Dispositions. To the extent the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary makes any Acquisition permitted pursuant to Section 6.04 or disposition of assets outside the ordinary course of business permitted by Section 6.05 or to the extent the financial covenants set forth in Section 6.12 are otherwise required under this Agreement to be calculated on a pro forma basis, then in each case for purposes of making any calculation of EBITDA, Fixed Charges or Interest Expense with respect to financial ratios required by this Agreement, such calculation shall be made for the previous fiscal quarter of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) most recently ended for which financial statements have been delivered in accordance with Section 5.01(a) or Section 5.01(b), as applicable; provided, for the avoidance of doubt, that any calculation of Indebtedness with respect to such financial ratios shall be made as of the date of such transaction and shall include any incurrence and repayment of Indebtedness as of such date and each of the Leverage Ratio, the Secured Leverage Ratio, the Fixed Charge Coverage Ratio and the Interest Coverage Ratio, to the extent applicable, shall be calculated after giving pro forma effect thereto (including pro forma adjustments arising out of events which are attributable to the Acquisition or the disposition of assets, are factually supportable and are expected to have a continuing impact, in each case as determined on a basis consistent with Article 11 of Regulation S-X of the Securities Act of 1933, as amended, as interpreted by the SEC, and as certified by a Financial Officer of the Borrower Representative), as if such Acquisition or such disposition (and any related incurrence, repayment or assumption of Indebtedness) had occurred on the first day of such period. For Acquisitions with total consideration (including the maximum potential total amount of all deferred payment obligations (including earn-outs) and Indebtedness assumed or incurred in connection therewith) exceeding \$25,000,000, any pro forma calculations shall be made in good faith by a Financial Officer of the Borrower Representative and may include, without duplication, “run rate” cost savings, operating expense reductions and synergies resulting from such Acquisition, in each case in the manner described in the definition of EBITDA.

Section 1.06 [Reserved].

Section 1.07 Interest Rates; Benchmark Notifications. The interest rate on a Loan denominated in dollars may be derived from an interest rate benchmark that may be discontinued

or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.14(b) provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

Section 1.08 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

## ARTICLE II The Credits

Section 2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender severally agrees to make Revolving Loans to the Borrowers from time to time during the Availability Period in an aggregate principal amount that will not result in (a) such Lender's Revolving Exposure exceeding such Lender's Commitment or (b) the Aggregate Revolving Exposure exceeding (i) the lesser of (A) the Aggregate Commitment and (B) the Borrowing Base minus (ii) the Availability Reserves, subject to the Administrative Agent's authority, in its sole discretion, to make Protective Advances and Overadvances pursuant to the terms of Section 2.04 and Section 2.05; provided that, notwithstanding the foregoing, the Lenders are not required to make Revolving Loans to the Frontier Borrower on or after the Effective Date. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans.

Section 2.02 Loans and Borrowings. (a) Each Loan (other than a Swingline Loan) shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the Lenders

ratably in accordance with their respective Commitments of the applicable Class. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required. Any Protective Advance, any Overadvance and any Swingline Loan shall be made in accordance with the procedures set forth in Section 2.04 and Section 2.05.

(b) Subject to Section 2.14, each Borrowing shall be comprised entirely of CBFR Loans or Term Benchmark Loans as the Borrower Representative may request in accordance herewith; provided that the parties hereto agree and acknowledge that the current Term SOFR Rate on each Term Benchmark Loan (each as defined in the Existing Credit Agreement) outstanding on the Effective Date under the Existing Credit Agreement (as set forth on Schedule 2.02 attached hereto) (each, an "Existing Term Benchmark Loans") shall continue to represent the Term SOFR Rate for such Loan until the date the Interest Period (as defined in the Existing Credit Agreement) for such Loan expires in accordance with its terms or, if earlier, as of the date of any acceleration or prepayment of such Loan. Each Swingline Loan shall be a CBFR Loan. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and in the case of an Affiliate, the provisions of Sections 2.14, 2.15, 2.16 and 2.17 shall apply to such Affiliate to the same extent as to such Lender); provided that any exercise of such option shall not affect the obligation of the Borrowers to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Term Benchmark Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 and not less than \$1,000,000. At the time that each RFR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 and not less than \$1,000,000. CBFR Borrowings may be in any amount. Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of six (6) Term Benchmark Borrowings or RFR Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower Representative shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

**Section 2.03 Requests for Borrowings.** To request a Borrowing, the Borrower Representative shall notify the Administrative Agent of such request either in writing (delivered by hand or facsimile) in a form approved by the Administrative Agent and signed by a Responsible Officer of the Borrower Representative or by telephone or through Electronic System, if arrangements for doing so have been approved by the Administrative Agent, not later than (a) (i) in the case of a Term Benchmark Borrowing, 10:00 a.m., Chicago time, three (3) U.S. Government Securities Business Days before the date of the proposed Borrowing (or, solely in the case of a Term Benchmark Borrowing on the Effective Date, 10:00 a.m., Chicago time, one (1) U.S. Government Securities Business Day before the Effective Date (or such later time agreed by the Administrative Agent in its sole discretion)) or (ii) in the case of an RFR Borrowing, not later than 10:00 a.m., Chicago time, five (5) U.S. Government Securities Business Days before the date of the proposed Borrowing or (b) in the case of a CBFR Borrowing, noon, Chicago time, on the date of the proposed Borrowing; provided that any such notice of a CBFR Borrowing to finance the

reimbursement of an LC Disbursement as contemplated by Section 2.06(e) may be given not later than 9:00 a.m., Chicago time, on the date of such proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery, facsimile or a communication through Electronic System to the Administrative Agent of a written Borrowing Request in a form approved by the Administrative Agent and signed by a Responsible Officer of the Borrower Representative. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.01 and Section 2.02:

- (i) the name of the applicable Borrower(s);
- (ii) the aggregate amount of the requested Borrowing and a breakdown of the separate wires comprising such Borrowing;
- (iii) the date of such Borrowing, which shall be a Business Day;
- (iv) whether such Borrowing is to be a CBFR Borrowing, a Term Benchmark Borrowing or, if applicable, an RFR Borrowing; and
- (v) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period."

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be a CBFR Borrowing. If no Interest Period is specified with respect to any requested Term Benchmark Borrowing, then the Borrower Representative shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04 Protective Advances. (a) Subject to the limitations set forth below, the Administrative Agent is authorized by the Borrowers and the Lenders, from time to time in the Administrative Agent's sole discretion (but shall have absolutely no obligation to), to make Loans to the Borrowers, on behalf of all Lenders, which the Administrative Agent, in its Permitted Discretion, deems necessary or desirable (i) to preserve or protect the Collateral, or any portion thereof, to the extent the Administrative Agent has provided the Borrower Representative with three (3) Business Days' notice before making such Loan; provided that no notice is necessary if an Event of Default has occurred and is continuing, or (ii) so long as an Event of Default has occurred and is continuing, (x) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations, or (y) to pay any other amount chargeable to or required to be paid by the Borrowers pursuant to the terms of this Agreement, including payments of reimbursable expenses (including costs, fees, and expenses as described in Section 9.03) and other sums payable under the Loan Documents) (any such Loans made pursuant to clauses (i) or (ii) are herein referred to as "**Protective Advances**"); provided that, (1) the aggregate amount of Protective Advances and Overadvances outstanding at any time shall not at any time exceed the greater of (x) \$25,000,000 and (y) five percent (5%) of the lesser of the Borrowing Base and the Aggregate Commitment in effect at such time and (2) the aggregate amount of outstanding Protective Advances plus the Aggregate Revolving Exposure shall not exceed the Aggregate Commitment. Protective

Advances may be made even if the conditions precedent set forth in Section 4.02 have not been satisfied. The Protective Advances shall be secured by the Liens in favor of the Administrative Agent in and to the Collateral and shall constitute Obligations hereunder. The making of a Protective Advance on any one occasion shall not obligate the Administrative Agent to make any Protective Advance on any other occasion. All Protective Advances shall be CBFR Borrowings. The Administrative Agent's authorization to make Protective Advances may be revoked at any time by the Required Lenders. Any such revocation must be in writing and shall become effective prospectively upon the Administrative Agent's receipt thereof. At any time that there is sufficient Availability and the conditions precedent set forth in Section 4.02 have been satisfied, the Administrative Agent may request the Lenders to make a Revolving Loan to repay a Protective Advance. At any other time the Administrative Agent may require the Lenders to fund their risk participations described in Section 2.04(b). The Administrative Agent will provide the Borrower Representative with notice promptly after any Protective Advance is made pursuant to this Section 2.04.

(b) Upon the making of a Protective Advance by the Administrative Agent (whether before or after the occurrence of a Default), each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the Administrative Agent, without recourse or warranty, an undivided interest and participation in such Protective Advance in proportion to its Applicable Percentage. From and after the date, if any, on which any Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender's Applicable Percentage of all payments of principal and interest and all proceeds of Collateral received by the Administrative Agent in respect of such Protective Advance.

#### Section 2.05 Swingline Loans.

(a) The Administrative Agent, the Swingline Lender and the Lenders agree that in order to facilitate the administration of this Agreement and the other Loan Documents, promptly after the Borrower Representative requests a CBFR Borrowing, the Swingline Lender may, but shall have no obligation to, elect to have the terms of this Section 2.05(a) apply to such Borrowing Request by advancing, on behalf of the Lenders and in the amount requested, same day funds to the Borrowers, on the date of the applicable Borrowing to the Funding Account (each such Loan made solely by the Swingline Lender pursuant to this Section 2.05(a) is referred to in this Agreement as a "**Swingline Loan**"), with settlement among them as to the Swingline Loans to take place on a periodic basis as set forth in Section 2.05(d). Each Swingline Loan shall be subject to all the terms and conditions applicable to other CBFR Loans funded by the Lenders, except that all payments thereon shall be payable to the Swingline Lender solely for its own account. In addition, the Borrowers hereby authorize the Swingline Lender to, and the Swingline Lender may, subject to the terms and conditions set forth herein (but without any further written notice required), not later than 12:00 p.m., Chicago time, on each Business Day, make available to the Borrowers by means of a credit to the Funding Account, the proceeds of a Swingline Loan to the extent necessary to pay items to be drawn on any Controlled Disbursement Account that Business Day; provided that, if on any Business Day there is insufficient borrowing capacity to permit the Swingline Lender to make available to the Borrowers a Swingline Loan in the amount necessary to pay all items to be so drawn on any such Controlled Disbursement Account on such Business Day, then the Borrowers shall be deemed to have requested a CBFR Borrowing pursuant to

Section 2.03 in the amount of such deficiency to be made on such Business Day. In addition, the Borrowers hereby authorize the Swingline Lender to, and the Swingline Lender shall, subject to the terms and conditions set forth herein (but without any further written notice required), to the extent that from time to time on any Business Day funds are required under the DDA Access Product to reach the Target Balance (a “**Deficiency Funding Date**”), make available to the applicable Borrower the proceeds of a Swingline Loan in the amount of such deficiency, by means of a credit to the Funding Account on or before the start of business on the next succeeding Business Day, and such Swingline Loan shall be deemed made on such Deficiency Funding Date. The aggregate amount of Swingline Loans outstanding at any time shall not exceed the Swingline Commitment. The Swingline Lender shall not make any Swingline Loan if the requested Swingline Loan exceeds Availability (after giving effect to such Swingline Loan). All Swingline Loans shall be CBFR Borrowings.

(b) Any provision of this Agreement to the contrary notwithstanding, at the request of the Borrower Representative, the Administrative Agent may in its sole discretion (but with absolutely no obligation), on behalf of the Lenders, (x) make Revolving Loans to the Borrowers in amounts that exceed Availability (any such excess Revolving Loans are herein referred to collectively as “**Overadvances**”) or (y) deem the amount of Revolving Loans outstanding to the Borrowers that are in excess of Availability to be Overadvances; provided that, no Overadvance shall result in a Default due to Borrowers’ failure to comply with Section 2.01 for so long as such Overadvance remains outstanding in accordance with the terms of this paragraph, but solely with respect to the amount of such Overadvance. In addition, Overadvances may be made even if the condition precedent set forth in Section 4.02(c) has not been satisfied. All Overadvances shall constitute CBFR Borrowings. The making of an Overadvance on any one occasion shall not obligate the Administrative Agent to make any Overadvance on any other occasion. The authority of the Administrative Agent to make Overadvances is limited so that (i) the aggregate amount of Protective Advances and Overadvances outstanding at any time shall not exceed the greater of (x) \$25,000,000 and (y) five percent (5%) of the lesser of the Borrowing Base and the Aggregate Commitment in effect at such time, (ii) no Overadvance may remain outstanding for more than thirty (30) days, (iii) only one Overadvance may be outstanding at any time, (iv) no Overadvance may be made for thirty (30) days after an Overadvance has been repaid and (v) no Overadvance shall cause any Lender’s Revolving Exposure to exceed its Commitment; provided that, the Required Lenders may at any time revoke the Administrative Agent’s authorization to make Overadvances. Any such revocation must be in writing and shall become effective prospectively upon the Administrative Agent’s receipt thereof.

(c) Upon the making of a Swingline Loan or an Overadvance (whether before or after the occurrence of a Default and regardless of whether a Settlement has been requested with respect to such Swingline Loan or Overadvance), each Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the Swingline Lender or the Administrative Agent, as the case may be, without recourse or warranty, an undivided interest and participation in such Swingline Loan or Overadvance in proportion to its Applicable Percentage of the Commitment. The Swingline Lender or the Administrative Agent may, at any time, require the Lenders to fund their participations. From and after the date, if any, on which any Lender is required to fund its participation in any Swingline Loan or Overadvance purchased hereunder, the Administrative Agent shall promptly distribute to such Lender, such Lender’s Applicable Percentage of all payments of principal and interest and all proceeds of Collateral received by the Administrative Agent in respect of such Swingline Loan or Overadvance.



(d) The Administrative Agent, on behalf of the Swingline Lender, shall request settlement (a "**Settlement**") with the Lenders on at least a weekly basis or on any date that the Administrative Agent elects, by notifying the Lenders of such requested Settlement by facsimile, telephone, or e-mail no later than 12:00 noon Chicago time on the date of such requested Settlement (the "**Settlement Date**"). Each Lender (other than the Swingline Lender, in the case of the Swingline Loans) shall transfer the amount of such Lender's Applicable Percentage of the outstanding principal amount of the applicable Loan with respect to which Settlement is requested to the Administrative Agent, to such account of the Administrative Agent as the Administrative Agent may designate, not later than 2:00 p.m., Chicago time, on such Settlement Date. Settlements may occur during the existence of a Default and whether or not the applicable conditions precedent set forth in [Section 4.02](#) have then been satisfied. Such amounts transferred to the Administrative Agent shall be applied against the amounts of the Swingline Lender's Swingline Loans and, together with Swingline Lender's Applicable Percentage of such Swingline Loan, shall constitute Revolving Loans of such Lenders, respectively. If any such amount is not transferred to the Administrative Agent by any Lender on such Settlement Date, the Swingline Lender shall be entitled to recover from such Lender on demand such amount, together with interest thereon, as specified in [Section 2.07](#).

Section 2.06 Letters of Credit

(a) General. Subject to the terms and conditions set forth herein, the Borrower Representative may request the issuance of Letters of Credit as the applicant thereof for the support of the Borrowers or the Subsidiaries' obligations, in a form reasonably acceptable to the Administrative Agent and the applicable Issuing Bank, at any time and from time to time during the Availability Period, and any Issuing Bank may, but shall have no obligation, to issue such requested Letters of Credit. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower Representative to, or entered into by the Borrower Representative with, the applicable Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Notwithstanding anything herein to the contrary, no Issuing Bank shall have any obligation hereunder to issue, and shall not issue, any Letter of Credit (i) the proceeds of which would be made available to any Person (A) to fund any activity or business of or with any Sanctioned Person, or in any country or territory that, at the time of such funding, is the subject of any Sanctions or (B) in any manner that would result in a violation of any Sanctions by any party to this Agreement, (ii) if any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Bank from issuing such Letter of Credit, or any Requirement of Law relating to such Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Bank shall prohibit, or request that such Issuing Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Bank is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon such Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Effective Date and which such Issuing Bank in good faith

deems material to it, or (iii) if the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank applicable to letters of credit generally; provided that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements or directives thereunder or issued in connection therewith or in the implementation thereof, and (y) all requests, rules, guidelines, requirements or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed not to be in effect on the Effective Date for purposes of clause (ii) above, regardless of the date enacted, adopted, issued or implemented.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower Representative shall deliver by hand or facsimile (or transmit by Electronic Systems, if arrangements for doing so have been approved by the applicable Issuing Bank) to the Issuing Bank and the Administrative Agent (prior to 9:00 am, Chicago time, at least three (3) Business Days prior to the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by any Issuing Bank, the Borrower Representative also shall submit a letter of credit application or other letter of credit agreement on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrowers shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) the aggregate LC Exposure shall not exceed \$25,000,000, (ii) no Lender's Revolving Exposure shall exceed its Commitment and (iii) the Aggregate Revolving Exposure shall not exceed (A) the lesser of (x) the Aggregate Commitment and (y) the Borrowing Base minus (B) the Availability Reserves. Notwithstanding the foregoing or anything to the contrary contained herein, no Issuing Bank shall be obligated to issue or modify any Letter of Credit if, immediately after giving effect thereto, the outstanding LC Exposure in respect of all Letters of Credit issued by such Person and its Affiliates would exceed such Issuing Bank's Issuing Bank Sublimit. Without limiting the foregoing and without affecting the limitations contained herein, it is understood and agreed that the Borrower Representative may from time to time request that an Issuing Bank issue Letters of Credit in excess of its individual Issuing Bank Sublimit in effect at the time of such request, and each Issuing Bank agrees to consider any such request in good faith. Any Letter of Credit so issued by an Issuing Bank in excess of its individual Issuing Bank Sublimit then in effect shall nonetheless constitute a Letter of Credit for all purposes of this Agreement, and shall not affect the Issuing Bank Sublimit of any other Issuing Bank, subject to the limitations on the aggregate LC Exposure set forth in clause (i) of this Section 2.06(b).

(c) Expiration Date. Each Letter of Credit shall expire (or be subject to termination or non-renewal by notice from the applicable Issuing Bank to the beneficiary thereof) at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance

of such Letter of Credit (or, in the case of any renewal or extension thereof, including, without limitation, any automatic renewal provision, one year after such renewal or extension, but in no event beyond the date referred to in clause (ii) hereof) and (ii) the date that is five (5) Business Days prior to the Maturity Date.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount or extending the term thereof) and without any further action on the part of any Issuing Bank or the Lenders, the applicable Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrowers on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Borrowers for any reason, including after the Maturity Date. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If any Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrowers shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement (i) not later than 11:00 a.m., Chicago time, on the date that such LC Disbursement is made, if the Borrower Representative shall have received notice of such LC Disbursement prior to 9:00 a.m., Chicago time, on such date, or, (ii) if such notice has not been received by the Borrower Representative prior to such time on such date, then not later than 11:00 a.m., Chicago time, on (x) the Business Day that the Borrower Representative receives such notice, if such notice is received prior to 9:00 a.m., Chicago time, on the day of receipt, or (y) the Business Day immediately following the day that the Borrower Representative receives such notice, if such notice is not received prior to such time on the day of receipt; provided that, the Borrower Representative may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 or Section 2.05 that such payment be financed with a CBFRR Borrowing or Swingline Loan in an equivalent amount and, to the extent so financed, the Borrowers' obligation to make such payment shall be discharged and replaced by the resulting CBFRR Borrowing or Swingline Loan. If the Borrowers fail to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrowers in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrowers, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrowers pursuant to this paragraph, the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that Lenders have made payments pursuant

to this paragraph to reimburse the applicable Issuing Bank, then to such Lenders and the applicable Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the applicable Issuing Bank for any LC Disbursement (other than the funding of CBFR Revolving Loans or a Swingline Loan as contemplated above) shall not constitute a Loan and shall not relieve the Borrowers of their obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Borrowers' joint and several obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, any letter of credit application or other letter of credit agreement or this Agreement, or any term or provision therein or herein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) any payment by the applicable Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrowers' obligations hereunder. None of the Administrative Agent, the Lenders, the Issuing Banks or any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, document, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms, any error in translation or any consequence arising from causes beyond the control of any Issuing Bank; provided that the foregoing shall not be construed to excuse any Issuing Bank from liability to the Borrowers to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrowers to the extent permitted by applicable law) suffered by any Borrower that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the applicable Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, any Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The applicable Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The applicable Issuing Bank shall promptly notify the Administrative Agent and the Borrower Representative by telephone (confirmed by facsimile or through

Electronic Systems) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrowers of their obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If any Issuing Bank shall make any LC Disbursement, then, unless the Borrowers shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrowers reimburse such LC Disbursement, at the rate per annum then applicable to CBFRR Revolving Loans and such interest shall be payable on the date when such reimbursement is due; provided that, if the Borrowers fail to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(d) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the applicable Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Addition, Replacement or Termination of an Issuing Bank

(i) A Lender may be designated as an Issuing Bank by written notice of the Borrower Representative to the Administrative Agent, subject to the consent of the Administrative Agent (which consent shall not be unreasonably withheld, conditioned or delayed) and the acceptance of such role by such Lender as an issuer of Letters of Credit hereunder. An Issuing Bank may be terminated at any time upon not less than ten (10) Business Days' prior written notice by the Borrower Representative to the Administrative Agent and such Issuing Bank; provided that at the time of termination of such Issuing Bank, such Issuing Bank shall not have issued any Letter of Credit that is outstanding other than Letters of Credit which have been cash collateralized in accordance with the provisions of this Agreement or as to which other arrangements with respect thereto that are satisfactory to such Issuing Bank have been made. Any Issuing Bank may also be replaced at any time by written agreement among the Borrower Representative, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank, so long as such successor Issuing Bank is a Lender hereunder. The Administrative Agent shall notify the Lenders of any such addition, replacement or termination of any Issuing Bank, as applicable. At the time any such replacement shall become effective, the Borrowers shall pay all unpaid fees accrued for the account of the replaced or terminated Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (A) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued by it thereafter and (B) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit then outstanding and issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit or extend or otherwise amend any existing Letter of Credit.

(ii) Subject to the appointment and acceptance of a successor Issuing Bank, any Issuing Bank may resign as an Issuing Bank at any time upon thirty (30) days' prior written notice to the Administrative Agent, the Borrower Representative and the Lenders, in which case, such Issuing Bank shall be replaced in accordance with Section 2.06(i)(i) above.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Borrower Representative receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than 50% of the aggregate LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Borrowers shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders (the "LC Collateral Account"), an amount in cash equal to 105% of the LC Exposure as of such date plus accrued and unpaid interest thereon provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to any Obligor described in clause (h) or (i) of Article VII. The Borrowers shall also deposit cash collateral in accordance with and to the extent required by Section 2.10(b), Section 2.11(b) or Section 2.20. Each such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Secured Obligations. In addition, and without limiting the foregoing or paragraph (c) of this Section, if any LC Exposure remains outstanding after the expiration date specified in said paragraph (c), the Borrowers shall immediately deposit in the LC Collateral Account an amount in cash equal to 105% of such LC Exposure as of such date plus any accrued and unpaid interest thereon. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over the LC Collateral Account and each Borrower hereby grants the Administrative Agent a security interest in the LC Collateral Account and all money or other assets on deposit therein or credited thereto. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent acting in its Permitted Discretion and at the Borrowers' risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in the LC Collateral Account. Moneys in the LC Collateral Account shall be applied by the Administrative Agent to reimburse the applicable Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrowers for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing greater than 50% of the aggregate LC Exposure), be applied to satisfy other Secured Obligations. If the Borrowers are required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower Representative within three (3) Business Days after all such Events of Default have been cured or waived as confirmed in writing by the Administrative Agent.

(k) Issuing Bank Reports to the Administrative Agent. Unless otherwise agreed by the Administrative Agent, each Issuing Bank (other than JPMCB) shall, in addition to its notification obligations set forth elsewhere in this Section, report in writing to the Administrative Agent (i) periodic activity (for such period or recurrent periods as shall be requested by the Administrative Agent) in respect of Letters of Credit issued by such Issuing Bank, including all issuances, extensions, amendments and renewals, all expirations and cancellations and all

disbursements and reimbursements, (ii) reasonably prior to the time that such Issuing Bank issues, amends, renews or extends any Letter of Credit, the date of such issuance, amendment, renewal or extension, and the stated amount of the Letters of Credit issued, amended, renewed or extended by it and outstanding after giving effect to such issuance, amendment, renewal or extension (and whether the amounts thereof shall have changed), (iii) on each Business Day on which such Issuing Bank makes any LC Disbursement, the date and amount of such LC Disbursement, (iv) on any Business Day on which any Borrower fails to reimburse an LC Disbursement required to be reimbursed to such Issuing Bank on such day, the date of such failure and the amount of such LC Disbursement, and (v) on any other Business Day, such other information as the Administrative Agent shall reasonably request as to the Letters of Credit issued by such Issuing Bank.

(l) LC Exposure Determination. For all purposes of this Agreement, the amount of a Letter of Credit that, by its terms or the terms of any document related thereto, provides for one or more automatic increases in the stated amount thereof shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at the time of determination.

(m) Letters of Credit Issued for Account of Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder supports any obligations of, or is for the account of, a Subsidiary, or states that a Subsidiary is the “account party,” “applicant,” “customer,” “instructing party,” or the like of or for such Letter of Credit, and without derogating from any rights of the applicable Issuing Bank (whether arising by contract, at law, in equity or otherwise) against such Subsidiary in respect of such Letter of Credit, the Borrowers (i) shall reimburse, indemnify and compensate the applicable Issuing Bank and the Lenders hereunder for such Letter of Credit (including to reimburse any and all drawings thereunder and to pay interest and all applicable fees due hereunder) as if such Letter of Credit had been issued solely for the account of a Borrower and (ii) irrevocably waives any and all defenses that might otherwise be available to it as a guarantor or surety of any or all of the obligations of such Subsidiary in respect of such Letter of Credit. Each Borrower hereby acknowledges that the issuance of such Letters of Credit for its Subsidiaries inures to the benefit of the Borrowers, and that each Borrower’s business derives substantial benefits from the business of such Subsidiaries.

Section 2.07 Funding of Borrowings. (a) Each Lender shall make each Loan to be made by such Lender hereunder on the proposed date thereof by wire transfer of immediately available funds by 12:00 p.m., Chicago time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders in an amount equal to such Lender’s Applicable Percentage; provided that, Swingline Loans shall be made as provided in Section 2.05. The Administrative Agent will make such Loans available to the Borrower Representative by promptly crediting the amounts so received, in like funds, to the Funding Account; provided that CBRF Revolving Loans made to finance the reimbursement of (i) an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank and (ii) a Protective Advance or an Overadvance shall be retained by the Administrative Agent.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender’s share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with

paragraph (a) of this Section and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrowers each severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrowers, the interest rate applicable to CBFR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing, provided, that any interest received from a Borrower by the Administrative Agent during the period beginning when Administrative Agent funded the Borrowing until such Lender pays such amount shall be solely for the account of the Administrative Agent.

Section 2.08 Interest Elections. (a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Term Benchmark Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower Representative may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term Benchmark Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower Representative may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section shall not apply to Swingline Loans, Overadvances or Protective Advances, which may not be converted or continued.

(b) To make an election pursuant to this Section, the Borrower Representative shall notify the Administrative Agent of such election by telephone or through Electronic System, if arrangements for doing so have been approved by the Administrative Agent, by the time that a Borrowing Request would be required under Section 2.03 if the Borrowers were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery, Electronic System or facsimile to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by a Responsible Officer of the Borrower Representative.

(c) Each telephonic and written Interest Election Request (including requests submitted through Electronic System) shall specify the following information in compliance with Section 2.02:

(i) the name of the applicable Borrower;

(ii) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iv) and (v) below shall be specified for each resulting Borrowing);



(iii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iv) whether the resulting Borrowing is to be a CBFR Borrowing, a Term Benchmark Borrowing or, if applicable, an RFR Borrowing; and

(v) if the resulting Borrowing is a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the Borrowers shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower Representative fails to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to a CBFR Borrowing. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower Representative, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Term Benchmark Borrowing or an RFR Borrowing and (ii) unless repaid, each Term Benchmark Borrowing and each RFR Borrowing shall be converted to a CBFR Borrowing at the end of the Interest Period or Interest Payment Date applicable thereto.

Section 2.09 Termination and Reduction of Commitments; Increase in Commitments (a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrowers may at any time terminate the Commitments upon Payment in Full (other than clause (e) of the definition thereof) of the Secured Obligations.

(c) The Borrowers may from time to time reduce the Commitments; provided that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$5,000,000 and not less than \$5,000,000, (ii) the Borrowers shall not reduce the Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.10, the Aggregate Revolving Exposures would exceed (A) the lesser of the Aggregate Commitment and the Borrowing Base at such time minus (B) the Availability Reserves and (iii) the Borrowers shall not reduce the Commitments if such reduction will make the Commitments less than \$100,000,000.

(d) The Borrower Representative shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) or (c) of this Section at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the

Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower Representative pursuant to this Section shall be irrevocable; provided that a notice of termination of the Commitments delivered by the Borrower Representative may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower Representative (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

(e) The Borrowers shall have the right to increase the Commitments by obtaining additional Commitments, either from one or more of the Lenders or another lending institution; provided that (i) any such request for an increase shall be in a minimum amount of \$5,000,000, (ii) the Borrower Representative, on behalf of the Borrowers, may make a maximum of five (5) such requests after the Effective Date, (iii) the Administrative Agent and the Issuing Banks have approved the identity of any such new Lender, such approvals not to be unreasonably withheld, (iv) any such new Lender assumes all of the rights and obligations of a "Lender" hereunder, (v) the procedures described in Section 2.09(f) have been satisfied and (vi) any such increase shall not cause the Aggregate Commitment to exceed \$2,450,000,000. Nothing contained in this Section 2.09 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Commitment hereunder at any time.

(f) Any amendment hereto for such an increase or addition shall be in form and substance satisfactory to the Administrative Agent and shall only require the written signatures of the Administrative Agent, the Borrowers and each Lender being added or increasing its Commitment, subject only to the approval of the Required Lenders if any such increase or addition would cause the Commitments to exceed \$2,450,000,000. As a condition precedent to such an increase or addition, the Borrowers shall deliver to the Administrative Agent a certificate of each Obligor (in sufficient copies for each Lender) signed by an authorized officer of such Obligor (i) certifying and attaching the resolutions adopted by such Obligor approving or consenting to such increase, and (ii) in the case of the Borrowers, certifying that, before and after giving effect to such increase or addition, (A) the representations and warranties contained in Article III and the other Loan Documents are true and correct in all material respects, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and any representation or warranty which is subject to any materiality qualifier shall be true and correct in all respects, (B) no Default exists and (C) the Kodiak Borrower is (or, after a Successful IPO, the Borrowers are) in pro forma compliance (on a pro forma basis) with the financial covenants contained in Section 6.12. If the Borrowers elect to increase the Commitments by increasing the Commitment of a Lender, the Borrower Representative and such Lender shall execute and deliver to the Administrative Agent an agreement substantially in the form of Exhibit F-1 (a "**Commitment Increase Agreement**") or in such form, including an amendment to this Agreement, otherwise acceptable to the Administrative Agent. If the Borrowers elect to increase the Commitments by causing an additional Lender to become a party to this Agreement and there is no increased Commitment by an existing Lender, then the Borrower Representative and such additional Lender shall execute and deliver to the Administrative Agent an agreement substantially in the form of Exhibit F-2 (an "**Additional Lender Agreement**") or in such form, including an amendment to this Agreement, otherwise acceptable to the Administrative Agent. Each such additional Lender shall submit to

the Administrative Agent an Administrative Questionnaire and a processing and recordation fee of \$3,500. The Borrowers shall, if requested by the additional Lender, deliver a promissory note payable to such additional Lender in a principal amount equal to its Commitment, and otherwise duly completed.

(g) Within a reasonable time after the effective date of any increase, the Administrative Agent shall, and is hereby authorized and directed to, revise the Commitment Schedule to reflect such increase and shall distribute such revised Commitment Schedule to each of the Lenders and the Borrower Representative, whereupon such revised Commitment Schedule shall replace the old Commitment Schedule and become part of this Agreement. On the effective date of any such increase or addition, (i) any Lender increasing (or, in the case of any newly added Lender, extending) its Commitment shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such increase or addition and the use of such amounts to make payments to such other Lenders, each Lender's portion of the outstanding Loans of all the Lenders to equal its revised Applicable Percentage of such outstanding Loans, and the Administrative Agent shall make such other adjustments among the Lenders with respect to the Loans then outstanding and amounts of principal, interest, commitment fees and other amounts paid or payable with respect thereto as shall be necessary, in the opinion of the Administrative Agent, in order to effect such reallocation and (ii) the Borrowers shall be deemed to have repaid and reborrowed all outstanding Loans as of the date of any increase (or addition) in the Commitments (with such reborrowing to consist of the Types of Loans, with related Interest Periods if applicable, specified in a notice delivered by the Borrower Representative, in accordance with the requirements of [Section 2.03](#)). The deemed payments made pursuant to [clause \(ii\)](#) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Term Benchmark Loan, shall be subject to indemnification by the Borrowers pursuant to the provisions of [Section 2.16](#) if the deemed payment occurs other than on the last day of the related Interest Periods.

Section 2.10 Repayment of Loans; Evidence of Debt (a) The Borrowers hereby unconditionally promise to pay (i) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Revolving Loan on the Maturity Date, (ii) to the Administrative Agent the then unpaid amount of each Protective Advance on the earlier of the Maturity Date and demand by the Administrative Agent and (iii) to the Administrative Agent the then unpaid principal amount of each Overadvance on the earliest of the Maturity Date, the thirtieth (30<sup>th</sup>) day after such Overadvance is made and demand by the Administrative Agent.

(b) At all times during a Cash Dominion Trigger Period, on each Business Day, the Administrative Agent shall apply all funds credited to the Collection Account on such Business Day or the immediately preceding Business Day (at the discretion of the Administrative Agent, whether or not immediately available) first to prepay any Protective Advances and Overadvances that may be outstanding, pro rata second to prepay the Revolving Loans (including Swingline Loans) and third, only after an Event of Default has occurred and is continuing, to cash collateralize outstanding LC Exposure in an amount equal to 105% of the LC Exposure. Notwithstanding the foregoing, to the extent any funds credited to the Collection Account constitute Net Proceeds, the application of such Net Proceeds shall be subject to [Section 2.11\(c\)](#).

(c) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(d) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Class and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(e) The entries made in the accounts maintained pursuant to paragraph (c) or (d) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(f) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrowers shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.11 Prepayment of Loans. (a) The Borrowers shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (e) of this Section and, if applicable, payment of any break funding expenses under Section 2.16.

(b) Except for Overadvances permitted by Section 2.05, in the event and on such occasion that the Aggregate Revolving Exposure exceeds (i) the lesser of (A) the Aggregate Commitment and (B) the Borrowing Base at such time minus (ii) the Availability Reserves, the Borrowers shall prepay the Revolving Loans, LC Exposure and/or Swingline Loans and/or cash collateralize the LC Exposure in an account with the Administrative Agent pursuant to Section 2.06(j), as applicable, in an aggregate amount equal to such excess.

(c) Subject to Section 2.11(b), in the event and on each occasion that any Net Proceeds are received by or on behalf of the Borrowers or any other Obligor in respect of any Prepayment Event, the Borrowers shall, immediately after such Net Proceeds are received by the Borrowers or any other Obligor, prepay the Obligations and cash collateralize the LC Exposure as set forth in Section 2.11(d) below in an aggregate amount equal to 100% of such Net Proceeds, provided that, in the case of any event described in clause (a) or (b) of the definition of the term "Prepayment Event", if the Borrower Representative shall deliver to the Administrative Agent a certificate of a Financial Officer of the Borrower Representative to the effect that the Loan Parties

intend to apply the Net Proceeds from such event (or a portion thereof specified in such certificate), within 180 days after receipt of such Net Proceeds, to acquire (or replace or rebuild) real property, equipment or other tangible assets to be used in the business of the Loan Parties, and certifying that no Default has occurred and is continuing, then, such Net Proceeds (less such portion of Net Proceeds received with respect to Inventory) equal to the amount of such Net Proceeds in excess of the value of such Inventory that was included in the calculation of the Borrowing Base in effect at the time such Prepayment Event occurred (regardless of whether such amount was borrowed) shall be deposited in a cash collateral account and in either case, thereafter, such funds shall be made available by the Administrative Agent to the applicable Loan Party to acquire (or replace or rebuild) real property, equipment or other tangible assets; provided that to the extent of any such Net Proceeds have not been so applied by the end of such 180 day period, a prepayment shall be required in an amount equal to such Net Proceeds that have not been so applied.

(d) All such unapplied Net Proceed amounts pursuant to Section 2.11(c) (as to any insurance or condemnation proceeds, to the extent they arise from casualties or losses to Equipment, Fixtures and real property) shall be applied, first to prepay any Protective Advances and Overadvances that may be outstanding, pro rata, second to prepay the Revolving Loans (including Swingline Loans) without a corresponding reduction in the Commitments and third to the extent required hereunder, to cash collateralize outstanding LC Exposure in an amount equal to 105% of the LC Exposure. All such unapplied Net Proceed amounts pursuant to Section 2.11(c) (as to any insurance or condemnation proceeds, to the extent they arise from casualties or losses to cash or Inventory) shall be applied, first to prepay any Protective Advances and Overadvances that may be outstanding, pro rata, second to prepay the Revolving Loans (including Swingline Loans) without a corresponding reduction in the Commitments and third to the extent required hereunder, to cash collateralize outstanding LC Exposure in an amount equal to 105% of the LC Exposure. If the precise amount of insurance or condemnation proceeds allocable to Inventory as compared to Equipment, Fixtures and real property is not otherwise determined, the allocation and application of those proceeds shall be determined by the Administrative Agent, in its Permitted Discretion.

(e) The Borrower Representative shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone (confirmed by facsimile) or through Electronic System, if arrangements for doing so have been approved by the Administrative Agent, of any prepayment hereunder not later than 10:00 a.m., Chicago time, (i) in the case of prepayment of a Term Benchmark Borrowing, three (3) Business Days before the date of prepayment, (ii) in the case of prepayment of an RFR Borrowing, five (5) Business Days before the date of prepayment, or (iii) in the case of prepayment of a CBFR Borrowing, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Borrowing shall be applied ratably to the Revolving Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13 and break funding payments pursuant to Section 2.16.

Section 2.12 Fees. (a) The Borrowers agree to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the applicable Commitment Fee Rate on the average daily amount of the Available Revolving Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which the Commitments terminate. Accrued commitment fees shall be payable in arrears on the first Business Day of each calendar month and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof; provided that (x) any commitment fees payable in respect of each March, June, September and December shall be payable on the fifteenth (15th) day of the next succeeding calendar month and (y) any commitment fees accruing after the date on which the Commitments terminate shall be payable on demand. All commitment fees shall be computed on the basis of a year of 360 days (unless such computation would exceed the Maximum Rate, in which case the commitment fees shall be computed on the basis of a year of 365 days (or 366 days in a leap year)) and shall be payable for the actual number of days elapsed (including the first day and the last day of each period but excluding the date on which the Commitments terminate).

(b) The Borrowers agree to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Term Benchmark Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to the applicable Issuing Bank a fronting fee, which shall accrue at the rate of 0.125 % per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) attributable to Letters of Credit issued by such Issuing Bank during the period from and including the Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuing Bank's standard fees and commissions with respect to the issuance, amendment, cancellation, negotiation, transfer, presentment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of each calendar month shall be payable on the first Business Day of each calendar month following such last day, commencing on the first such date to occur after the Effective Date; provided that (x) any participation fees and fronting fees payable in respect of each March, June, September and December shall be payable on the fifteenth (15th) day of the next succeeding calendar month and (y) all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to an Issuing Bank pursuant to this paragraph shall be payable within ten (10) days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days (unless such computation would exceed the Maximum Rate, in which case such fees shall be computed on the basis of a year of 365 days (or 366 days in a leap year)) and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) The Borrowers agree to pay to the Administrative Agent, for their own account, fees payable in the amounts and at the times separately agreed upon between the Borrower Representative and the Administrative Agent in the Fee Letter or otherwise.

(d) All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to the applicable Issuing Bank, in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

Section 2.13 Interest. (a) The Loans comprising each CBFR Borrowing (including each Swingline Loan) shall bear interest at the lesser of (i) the CB Floating Rate plus the Applicable Rate or (ii) the Maximum Rate.

(b) The Loans comprising each Term Benchmark Borrowing shall bear interest at the lesser of (i) the Adjusted Term SOFR Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate or (ii) the Maximum Rate. Each RFR Loan shall bear interest at a rate per annum equal to the lesser of (i) Adjusted Daily Simple SOFR plus the Applicable Rate or (ii) the Maximum Rate.

(c) Each Protective Advance and each Overadvance shall bear interest at the lesser of (i) CB Floating Rate plus the Applicable Rate for Revolving Loans plus 2% or (ii) the Maximum Rate.

(d) Notwithstanding the foregoing, during the occurrence and continuance of an Event of Default, the Administrative Agent or the Required Lenders may, at their option, by notice to the Borrower Representative (which notice (x) may be revoked at the option of the Required Lenders notwithstanding any provision of Section 9.02 requiring the consent of "each Lender affected thereby" for reductions in interest rates and (y) shall not be required during the occurrence and continuance of an Event of Default of the type set forth in clauses (h) and (i) of Article VII), declare that (i) all Loans shall bear interest (including, without limitation, any and all interest and other amounts accrued during the pendency of any bankruptcy, insolvency, receivership or other similar proceedings, irrespective of whether such interest and other amounts are allowed or allowable as claims in such proceedings) at 2% *plus* the rate otherwise applicable to such Loans as provided in the preceding paragraphs of this Section, but in any event such rate shall not exceed the Maximum Rate or (ii) in the case of any other amount outstanding hereunder, such amount shall accrue at 2% plus the rate applicable to such fee or other obligation as provided hereunder, but in any event such rate shall not exceed the Maximum Rate.

(e) Accrued interest on each Loan (for CBFR Loans, accrued through the last day of the prior calendar month) shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; provided that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of a CBFR Revolving Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Term Benchmark Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) All interest hereunder shall be computed on the basis of a year of 360 days (unless such computation would exceed the Maximum Rate, in which case interest shall be computed on the basis of a year of 365 days (or 366 days in a leap year)); provided that interest computed by reference to the CB Floating Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable CB Floating Rate, Adjusted Daily Simple SOFR, Daily Simple SOFR, Adjusted Term SOFR Rate or Term SOFR Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

Section 2.14 Alternate Rate of Interest; Illegality.

(a) Subject to clauses (b), (c), (d), (e), and (f) of this Section 2.14, if:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple SOFR or Daily Simple SOFR; or

(ii) the Administrative Agent is advised by the Required Lenders that (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period or (B) at any time, Adjusted Daily Simple SOFR will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or Loan) included in such Borrowing;

then the Administrative Agent shall give notice thereof to the Borrower Representative and the Lenders through Electronic Systems as provided in Section 9.01 as promptly as practicable thereafter and, until (x) the Administrative Agent notifies the Borrower Representative and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower Representative delivers a new Interest Election Request in accordance with the terms of Section 2.08 or a new Borrowing Request in accordance with the terms of Section 2.03, (1) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing shall instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for (x) an RFR Borrowing so long as Adjusted Daily Simple SOFR is not also the subject of Section 2.14(a)(i) or (ii) above or (y) a CBFR Borrowing if Adjusted Daily Simple SOFR also is the subject of Section 2.14(a)(i) or (ii) above and (2) any Borrowing Request that requests an RFR Borrowing shall instead be deemed to be a Borrowing Request, as applicable, for a CBFR Borrowing. Furthermore, if any Term Benchmark Loan or RFR Loan is outstanding on the date of the Borrower Representative's receipt of the notice from the Administrative Agent referred to in this Section 2.14(a) with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until (x) the



Administrative Agent notifies the Borrower Representative and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower Representative delivers a new Interest Election Request in accordance with the terms of Section 2.08 or a new Borrowing Request in accordance with the terms of Section 2.03, (1) any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing so long as Adjusted Daily Simple SOFR is not also the subject of Section 2.14(a)(i) or (ii) above or (y) a CBFR Loan if Adjusted Daily Simple SOFR also is the subject of Section 2.14(a)(i) or (ii) above, on such day and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute a CBFR Loan.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Agreement shall be deemed not to be a "Loan Document" for purposes of this Section 2.14), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) The Administrative Agent will promptly notify the Borrower Representative and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain

from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Upon the Borrower Representative's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrowers may revoke any request for a Term Benchmark Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrowers will be deemed to have converted (1) any such request for a Term Benchmark Borrowing into a request for a Borrowing of or conversion to (A) an RFR Borrowing so long as Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (B) a CBFR Borrowing if Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event. Furthermore, if any Term Benchmark Loan is outstanding on the date of the Borrower Representative's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan, then until such time as a Benchmark Replacement is implemented pursuant to this Section 2.14, any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, (x) an RFR Loan so long as the Adjusted Daily Simple SOFR is not the subject of a Benchmark Transition Event or (y) a CBFR Loan if the Adjusted Daily Simple SOFR is the subject of a Benchmark Transition Event, on such day.

Section 2.15 Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted Term SOFR Rate) or any Issuing Bank;

(ii) impose on any Lender or any Issuing Bank or the applicable offshore interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of "Excluded Taxes" and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender, Issuing Bank or such other Recipient of making, continuing, converting into or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender, such Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender, such Issuing Bank or such other Recipient hereunder (whether of principal, interest or otherwise) in any case, in an amount equal to or greater than Ten Thousand Dollars (\$10,000), then the Borrowers will pay to such Lender, such Issuing Bank or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, such Issuing Bank or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or any Issuing Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's or such Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of, or the Loans made by, or participations in Letters of Credit, Overadvances, Protective Advances or Swingline Loans held by, such Lender, or the Letters of Credit issued by the applicable Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy and liquidity), then from time to time the Borrowers will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or the applicable Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower Representative and shall be conclusive absent manifest error. The Borrowers shall pay such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Borrowers shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Borrower Representative of the Change in Law giving rise

to such increased costs or reductions and of such Lender's or such Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 2.16 Break Funding Payments.

(a) With respect to Loans that are not RFR Loans, in the event of (a) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or as a result of any prepayment pursuant to Section 2.11), (b) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(d) or Section 2.11(e) and is revoked in accordance therewith), or (d) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower Representative pursuant to Section 2.19, Section 9.02(d) or Section 9.04(g), then, in any such event, the Borrowers shall compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower Representative and shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(b) With respect to RFR Loans, in the event of (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.09(d) or Section 2.11(e) and is revoked in accordance therewith) or (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Borrowers pursuant to Section 2.19, Section 9.02(d) or Section 9.04(g), then, in any such event, the Borrowers shall compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower Representative and shall be conclusive absent manifest error. The Borrowers shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

Section 2.17 Withholding of Taxes: Gross-Up. (a) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Obligor under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of any Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Obligor shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.17) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Obligors. The Obligors shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(c) Evidence of Payments. As soon as practicable after any payment of Taxes by any Obligor to a Governmental Authority pursuant to this Section 2.17, such Obligor shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Obligors. The Obligors shall jointly and severally indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Obligor by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Obligor has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Obligors to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(e) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to such Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the applicable Withholding Agent, at the time or times reasonably requested by such Withholding Agent, such properly completed and executed documentation reasonably requested by the applicable Withholding Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by a Withholding Agent, shall deliver such other documentation prescribed by applicable law or

reasonably requested by such Withholding Agent as will enable such Withholding Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Withholding Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Withholding Agent), an executed copy of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Withholding Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Withholding Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) in the case of a Foreign Lender claiming that its extension of credit will generate U.S. effectively connected income, an executed copy of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit E-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of a Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable; or

(4) to the extent a Foreign Lender is not the beneficial owner, an executed copy of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS

Form W-8BEN or IRS Form W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-2 or Exhibit E-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Withholding Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Withholding Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Withholding Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Withholding Agent at the time or times prescribed by law and at such time or times reasonably requested by the Withholding Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Withholding Agent as may be necessary for the Withholding Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Withholding Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.17 with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less

favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph (g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document (including the Payment in Full of the Secured Obligations).

(i) Defined Terms. For purposes of this Section 2.17, the term "applicable law" includes FATCA.

Section 2.18 Payments Generally; Allocation of Proceeds; Sharing of Set-offs. (a) The Borrowers shall make each payment or prepayment required to be made by them hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, Section 2.16 or Section 2.17, or otherwise) prior to 2:00 p.m., Chicago time, on the date when due or the date fixed for any prepayment hereunder, in immediately available funds, without set-off, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 10 South Dearborn Street, Floor L2, Chicago, Illinois, except payments to be made directly to an Issuing Bank or Swingline Lender as expressly provided herein and except that payments pursuant to Section 2.15, Section 2.16, Section 2.17, and Section 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. Unless otherwise provided for herein, if any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder shall be made in dollars.

(b) Any proceeds of Collateral received by the Administrative Agent (i) not constituting either (A) a specific payment of principal, interest, fees or other sum payable under the Loan Documents (which shall be applied as specified by the Borrower Representative), (B) a mandatory prepayment, including any Net Proceeds received pursuant to Section 2.11(c) (which shall be applied in accordance with Section 2.11) or (C) amounts to be applied from the Collection Account during a Cash Dominion Trigger Period (which shall be applied in accordance with Section 2.10(b)) or (ii) after an Event of Default has occurred and is continuing and the Administrative Agent so elects or the Required Lenders so direct, shall be applied ratably first, to pay any fees, indemnities, or expense reimbursements then due to the Administrative Agent and the Issuing Banks from the Borrowers (other than in connection with Banking Services Obligations or Swap Obligations), second, to pay any fees, indemnities or expense reimbursements then due to the Lenders from the Borrowers (other than in connection with Banking Services Obligations



or Swap Obligations), third, to pay interest due in respect of the Overadvances and Protective Advances, fourth, to pay the principal of the Overadvances and Protective Advances, fifth, to pay interest then due and payable on the Loans (other than the Overadvances and Protective Advances) ratably sixth, to prepay principal on the Loans (other than the Overadvances and Protective Advances) and unreimbursed LC Disbursements, ratably, seventh, to pay an amount to the Administrative Agent equal to one hundred five percent (105%) of the aggregate undrawn face amount of all outstanding Letters of Credit and the aggregate amount of any unpaid LC Disbursements, to be held as cash collateral for such Obligations, eighth, to payment of any amounts owing with respect to Banking Services Obligations and Swap Obligations up to and including the amount most recently provided to the Administrative Agent pursuant to Section 2.22, and ninth, to the payment of any other Secured Obligation due to the Administrative Agent or any Lender by the Borrowers. Notwithstanding the foregoing, amounts received from any Obligor that is not an ECP shall not be applied to any Excluded Swap Obligations (it being understood, that in the event that any amount is applied to Secured Obligations other than Excluded Swap Obligations as a result of this clause, the Administrative Agent shall make such adjustments as it determines are appropriate to distributions pursuant to clause eighth above from amounts received from an ECP to ensure, as nearly as possible, that the proportional aggregate recoveries with respect to Secured Obligations described in clause eighth above by the holders of any Excluded Swap Obligations are the same as the proportional aggregate recoveries with respect to other Secured Obligations pursuant to clause eighth above). Notwithstanding anything to the contrary contained in this Agreement, unless so directed by the Borrower Representative, or unless a Default is in existence, neither the Administrative Agent nor any Lender shall apply any payment which it receives to any Term Benchmark Loan of a Class, except (a) on the expiration date of the Interest Period applicable thereto or (b) in the event, and only to the extent, that there are no outstanding CBFR Loans of the same Class and, in any such event, the Borrowers shall pay the break funding payment required in accordance with Section 2.16. The Administrative Agent and the Lenders shall have the continuing and exclusive right to apply and reverse and reapply any and all such proceeds and payments to any portion of the Secured Obligations.

(c) At the election of the Administrative Agent, all payments of principal, interest, LC Disbursements, fees, premiums, reimbursable expenses (including, without limitation, all reimbursement for fees, costs and expenses pursuant to Section 9.03), and other sums payable under the Loan Documents, may be paid from the proceeds of Borrowings made hereunder whether made following a request by the Borrower Representative pursuant to Section 2.03 or a deemed request as provided in this Section or may be deducted from any deposit account of any Borrower maintained with the Administrative Agent. The Borrowers hereby irrevocably authorize (i) the Administrative Agent to make a Borrowing for the purpose of paying each payment of principal, interest and fees as it becomes due hereunder or any other amount due under the Loan Documents and agrees that all such amounts charged shall constitute Loans (including Swingline Loans and Overadvances, but such a Borrowing may only constitute a Protective Advance if it is to reimburse costs, fees and expenses as described in Section 9.03) and that all such Borrowings shall be deemed to have been requested pursuant to Section 2.03, Section 2.04 or Section 2.05, as applicable, and (ii) the Administrative Agent to charge any deposit account of any Borrower maintained with the Administrative Agent for each payment of principal, interest and fees as it becomes due hereunder or any other amount due under the Loan Documents.

(d) If, except as otherwise expressly provided herein, any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and Swingline Loans and accrued interest thereon than the proportion received by any other similarly situated Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements and Swingline Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by all such Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements and Swingline Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements or Swingline Loans to any assignee or participant, other than to the Borrowers or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(e) Unless the Administrative Agent shall have received notice from the Borrower Representative prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the applicable Issuing Bank hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or such Issuing Bank, as the case may be, the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders or each of the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or such Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(f) If any Lender shall fail to make any payment required to be made by it hereunder, then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations hereunder until all such unsatisfied obligations are fully paid and/or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender hereunder; application of amounts pursuant to clause (i) and (ii) above shall be made in such order as may be determined by the Administrative Agent in its discretion.

Section 2.19 Mitigation Obligations: Replacement of Lenders.

(a) If any Lender requests compensation under Section 2.15, or if the Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or Section 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrowers hereby agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If any Lender requests compensation under Section 2.15, or if the Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or if any Lender becomes a Defaulting Lender, then the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Section 2.15 or Section 2.17) and obligations under this Agreement and other Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrowers shall have received the prior written consent of the Administrative Agent (and in circumstances where its consent would be required under Section 9.04, the Issuing Banks and the Swingline Lender), which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrowers to require such assignment and delegation cease to apply. Each party hereto agrees that an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower Representative, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

Section 2.20 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Commitments of such Defaulting Lender pursuant to Section 2.12(a);

(b) any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 2.18(b) or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Bank or Swingline Lender hereunder; third, to cash collateralize the Issuing Banks' LC Exposure with respect to such Defaulting Lender in accordance with this Section; fourth, as the Borrower Representative may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower Representative, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Banks' future LC Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with this Section; sixth, to the payment of any amounts owing to the Lenders, the Issuing Banks or Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any Issuing Bank or Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by any Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement or under any other Loan Document; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or LC Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and LC Disbursements owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure and Swingline Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to clause (d) below. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto;

(c) such Defaulting Lender shall not have the right to vote on any issue on which voting is required (other than to the extent expressly provided in [Section 9.02\(a\)](#) or [Section 9.02\(b\)](#)) and the Commitment and Revolving Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to [Section 9.02](#)) or under any other Loan Document; provided, that, except as otherwise provided in [Section 9.02](#), this [clause \(c\)](#) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of all Lenders or each Lender affected thereby to the extent such amendment, waiver or other modification affects the Defaulting Lender;

(d) if any Swingline Exposure, LC Exposure, Overadvance Exposure or Protective Advance Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the Swingline Exposure and LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent that such reallocation does not, as to any non-Defaulting Lender, cause such non-Defaulting Lender's Revolving Exposure to exceed its Commitment;

(ii) if the reallocation described in [clause \(i\)](#) above cannot, or can only partially, be effected, the Borrowers shall within one Business Day following notice by the Administrative Agent (x) first, prepay such Swingline Exposure, Overadvance Exposure or Protective Advance Exposure, as applicable and (y) second, cash collateralize, for the benefit of the Issuing Banks, the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to [clause \(i\)](#) above) in accordance with the procedures set forth in [Section 2.06\(i\)](#) for so long as such LC Exposure is outstanding;

(iii) if the Borrowers cash collateralize any portion of such Defaulting Lender's LC Exposure pursuant to [clause \(ii\)](#) above, the Borrowers shall not be required to pay any fees to such Defaulting Lender pursuant to [Section 2.12\(b\)](#) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to [clause \(i\)](#) above, then the fees payable to the Lenders pursuant to [Section 2.12\(a\)](#) and [Section 2.12\(b\)](#) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to [clause \(i\)](#) or [clause \(ii\)](#) above, then, without prejudice to any rights or remedies of any Issuing Bank or any other Lender hereunder, all letter of credit fees payable under [Section 2.12\(b\)](#) with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Banks until and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

(e) so long as such Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and the Issuing Banks shall not be required to issue, amend, renew, extend or increase any Letter of Credit, unless it is satisfied that the related exposure and such Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrowers in accordance with Section 2.20(d), and Swingline Exposure related to any such newly made Swingline Loan or LC Exposure related to any newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.20(d)(i) (and such Defaulting Lender shall not participate therein);

If (i) a Bankruptcy Event or a Bail-In Action with respect to the Parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (ii) the Swingline Lender or any Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless the Swingline Lender or such Issuing Bank, as the case may be, shall have entered into arrangements with the Borrowers or such Lender, satisfactory to the Swingline Lender or such Issuing Bank, as the case may be, to defease any risk to it in respect of such Lender hereunder.

In the event that each of the Administrative Agent, the Borrowers, the Swingline Lender and the Issuing Banks agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure and LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on the date of such readjustment such Lender shall purchase at par such of the Loans of the other Lenders (other than Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

Section 2.21 Returned Payments. If after receipt of any payment which is applied to the payment of all or any part of the Secured Obligations (including a payment effected through exercise of a right of setoff), the Administrative Agent or any Secured Party is for any reason compelled to surrender such payment or proceeds to any Person because such payment or application of proceeds is invalidated, declared fraudulent, set aside, determined to be void or voidable as a preference, impermissible setoff, or a diversion of trust funds, or for any other reason, (including pursuant to any settlement entered into by the Administrative Agent or such Secured Party in its discretion), then the Secured Obligations or part thereof intended to be satisfied shall be revived and continued and this Agreement shall continue in full force as if such payment or proceeds had not been received by the Administrative Agent or such Secured Party. The provisions of this Section 2.21 shall be and remain effective notwithstanding any contrary action which may have been taken by the Administrative Agent or any Secured Party in reliance upon such payment or application of proceeds. The provisions of this Section 2.21 shall survive the termination of this Agreement.

Section 2.22 Banking Services and Swap Agreements. At the request of the Administrative Agent, each Lender or Affiliate thereof (other than JPMCB and its Affiliates) providing Banking Services for, or having Swap Agreements with, any Loan Party or any Affiliate of a Loan Party shall deliver to the Administrative Agent, promptly after entering into such

Banking Services or Swap Agreements, written notice setting forth the aggregate amount of all Banking Services Obligations and Swap Obligations of such Loan Party or Affiliate thereof to such Lender or Affiliate (whether matured or unmatured, absolute or contingent). In addition, if requested by the Administrative Agent, each such Lender or Affiliate thereof shall deliver to the Administrative Agent, following the end of each calendar month, a summary of the amounts due or to become due in respect of such Banking Services Obligations and Swap Obligations. If requested by the Administrative Agent, the most recent information provided to the Administrative Agent shall be used in determining the amounts to be applied in respect of such Banking Services Obligations and/or Swap Obligations pursuant to Section 2.18(b).

ARTICLE III  
Representations and Warranties

Each Obligor represents and warrants to the Lenders that:

Section 3.01 Organization; Powers. Each of the Obligors and its subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business, and is in good standing, in every jurisdiction where such qualification is required.

Section 3.02 Authorization; Enforceability. The Transactions are within each Obligor's organizational powers and have been duly authorized by all necessary organizational actions and, if required, actions by equity holders. Each Loan Document to which each Obligor is a party has been duly executed and delivered by such Obligor and constitutes a legal, valid and binding obligation of such Obligor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03 Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect and except for filings necessary to perfect Liens created pursuant to the Loan Documents, (b) will not, except for any such violations that would not reasonably be expected to result in a Material Adverse Effect, violate any Requirement of Law applicable to any Obligor or any of its subsidiaries, (c) will not violate or result in a default under any material indenture, agreement or other instrument binding upon any Obligor or any of its subsidiaries or the assets of any Obligor or any of its subsidiaries (other than any indenture, agreement or other instrument the violation of which could not reasonably be expected to be materially adverse to any Secured Party), or give rise to a right thereunder to require any payment to be made by any Obligor or any of its subsidiaries, and (d) will not result in the creation or imposition of any Lien on any asset of any Obligor or any of its subsidiaries, except Liens created pursuant to the Loan Documents.

Section 3.04 Financial Condition; No Material Adverse Change.

(a) The Kodiak Borrower has heretofore furnished to the Lenders the Specified Financial Statements. The Specified Financial Statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Kodiak Borrower and its consolidated Subsidiaries as of the applicable dates and for the applicable periods in accordance with GAAP, subject to year-end audit adjustments (all of which, when taken as a whole, would not be materially adverse) and the absence of footnotes in the case of any unaudited financial statements constituting Specified Financial Statements.

(b) No event, change or condition has occurred that has had, or could reasonably be expected to have, a Material Adverse Effect, since December 31, 2022.

Section 3.05 Properties. (a) As of the date of this Agreement, Schedule 3.05 sets forth the address of each parcel of real property that is owned or leased by any Obligor. Each of such leases and subleases is valid and enforceable in accordance with its terms and is in full force and effect, and no default by any party to any such lease or sublease exists. Each of the Obligors and its subsidiaries has good and indefeasible title to, or valid leasehold interests in, all of its real and personal property, free of all Liens other than those permitted by Section 6.02.

(b) Each of the Obligors and their subsidiaries owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property necessary to its business as currently conducted, a correct and complete list of which, as of the date of this Agreement, is set forth on Schedule 3.05, and the use thereof by each Obligor and each of its subsidiaries does not infringe in any material respect upon the rights of any other Person, and each Obligor's and each subsidiary's rights thereto are not subject to any licensing agreement or similar arrangement.

Section 3.06 Litigation and Environmental Matters. (a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Obligor, threatened against or affecting any Obligor or any of its subsidiaries as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters).

(b) Except for the Disclosed Matters (i) no Obligor or any of its subsidiaries has received notice of any claim with respect to any Environmental Liability or knows of any basis for any Environmental Liability and (ii) except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, no Obligor or any of its subsidiaries (1) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (2) has become subject to any Environmental Liability, (3) has received notice of any claim with respect to any Environmental Liability or (4) knows of any basis for any Environmental Liability.

Section 3.07 Compliance with Laws and Agreements; No Default. Each of the Obligors and their subsidiaries is in compliance with (a) its charter, by-laws or other organizational documents, (b) all Requirements of Law applicable to it or its property, and (c) all indentures, agreements and other instruments binding upon it or its property, except with respect to each clause (a), (b) and (c), where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Default has occurred and is continuing.



Section 3.08 Investment Company Status. No Obligor or any subsidiary of an Obligor is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.09 Taxes. Each of the Obligors and their subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which such Obligor or such subsidiary, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not be expected to result in a Material Adverse Effect. No tax liens have been filed and no claims are being asserted with respect to any such Taxes, except as set forth on Schedule 3.09.

Section 3.10 ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under each Plan (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87 or FASB Accounting Standards Codification No. 715, as applicable) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of such Plan, and the present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87 or FASB Accounting Standards Codification No. 715, as applicable) did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets of all such underfunded Plans.

Section 3.11 Disclosure. The Obligors have disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which any Obligor or any of its subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the reports, financial statements, certificates or other information furnished by or on behalf of any Obligor or any subsidiary to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or any other Loan Document (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Obligors represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time delivered and, if such projected financial information was delivered prior to the Effective Date, as of the Effective Date. As of the Effective Date, to the best knowledge of any Borrower, the information included in the Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement or the Existing Credit Agreement is true and correct in all material respects.

Section 3.12 Material Agreements. All Material Agreements as of the date of this Agreement are listed on Schedule 3.12. No Obligor is in default in the performance, observance

or fulfillment of any of the obligations, covenants or conditions contained in (i) any Material Agreement to which it is a party or (ii) any agreement or instrument evidencing or governing Indebtedness, except in each case which would not reasonably be expected to result in a Material Adverse Effect.

Section 3.13 Solvency. (a) Immediately after the consummation of the Transactions, (i) the fair value of the assets of each Obligor, at a fair valuation, will exceed its debts and liabilities, subordinated, contingent or otherwise; (ii) the present fair saleable value of the property of each Obligor will be greater than the amount that will be required to pay the probable liability of its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) each Obligor will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) no Obligor will have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted after the Effective Date.

(b) No Obligor intends to, nor will such Obligor permit any of its subsidiaries to, and no Obligor believes that it or any of its subsidiaries will, incur debts beyond its ability to pay such debts as they mature, taking into account the timing of and amounts of cash to be received by it or any such subsidiary and the timing of the amounts of cash to be payable on or in respect of its Indebtedness or the Indebtedness of any such subsidiary.

Section 3.14 Insurance. Schedule 3.14 sets forth a description of all insurance maintained by or on behalf of the Obligors and their subsidiaries as of the Effective Date. As of the Effective Date, all premiums in respect of such insurance have been paid. The Borrowers believe that the insurance maintained by or on behalf of the Obligors and their subsidiaries is adequate.

Section 3.15 Capitalization and Subsidiaries. As of the Effective Date, Schedule 3.15 sets forth (a) a correct and complete list of the name and relationship to the Frontier Borrower of each of its subsidiaries, (b) a true and complete listing of each class of each of the Frontier Borrower and its subsidiaries' authorized Equity Interests, all of which issued Equity Interests are validly issued, outstanding, fully paid and non-assessable, and owned beneficially and of record by the Persons identified on Schedule 3.15, and (c) the type of entity of the Frontier Borrower and each of its subsidiaries. All of the issued and outstanding Equity Interests owned by any Obligor have been (to the extent such concepts are relevant with respect to such ownership interests) duly authorized and issued and are fully paid and non-assessable. There are no outstanding commitments or other obligations of any Obligor to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other equity interests of any Obligor.

Section 3.16 Security Interest in Collateral. The provisions of this Agreement and the other Loan Documents create legal and valid Liens on all of the Collateral in favor of the Administrative Agent, for the benefit of the Secured Parties, and such Liens constitute perfected and continuing Liens on the Collateral, securing the Secured Obligations, enforceable against the applicable Obligor and all third parties, and having priority over all other Liens on the Collateral except (a) Permitted Encumbrances, to the extent any such Permitted Encumbrances would have

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priority over the Liens in favor of the Administrative Agent pursuant to any applicable law or agreement and (b) Liens perfected only by possession (including possession of any certificate of title) to the extent the Administrative Agent has not obtained or does not maintain possession of such Collateral.

Section 3.17 Employment Matters. As of the Effective Date, there are no strikes, lockouts or slowdowns against any Obligor or any of its subsidiaries pending or, to the knowledge of any Obligor, threatened. To the knowledge of any Obligor, the hours worked by and payments made to employees of the Obligors and the Obligor's subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable federal, state, local or foreign law dealing with such matters. All payments due from any Obligor or any of the subsidiaries, or for which any claim may be made against any Obligor or any of its subsidiaries, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such Obligor or such subsidiary.

Section 3.18 Affiliate Transactions. Except as set forth on Schedule 3.18, as of the Effective Date, there are no existing or proposed agreements, arrangements, understandings or transactions (other than ordinary course employment agreements) between any Obligor and any of the officers, members, managers, directors, stockholders, parents, holders of other Equity Interests, employees or Affiliates (other than Subsidiaries or the Kodiak Cares Foundation) of any Obligor or any members of their respective immediate families, and none of the foregoing Persons are directly or indirectly indebted to or have any direct or indirect ownership, partnership, or voting interest in any Affiliate of any Obligor or any Person with which any Obligor has a business relationship or which competes with any Obligor.

Section 3.19 Federal Reserve Regulations. No Obligor is engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of any Borrowing or Letter of Credit hereunder will be used to buy or carry any Margin Stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than 25% of the value of the assets (either of any Obligor only or of the Obligors and their subsidiaries on a consolidated basis) will be Margin Stock.

Section 3.20 Use of Proceeds. The proceeds of the Loans have been used and will be used, whether directly or indirectly as set forth in Section 5.08.

Section 3.21 No Burdensome Restrictions. No Obligor is subject to any Burdensome Restrictions except Burdensome Restrictions permitted under Section 6.10.

Section 3.22 Anti-Corruption Laws and Sanctions. Each Obligor has implemented and maintains in effect policies and procedures designed to ensure compliance by such Obligor, its subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and such Obligor, its subsidiaries and their respective officers and employees and, to the knowledge of such Obligor, its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) any Obligor, any subsidiary of any Obligor or any of their respective directors, officers or employees, or (b) to the knowledge of any such Obligor or subsidiary, any agent of such Obligor or any subsidiary that

will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds, Transaction or other transaction contemplated by this Agreement or the other Loan Documents will violate Anti-Corruption Laws or applicable Sanctions.

Section 3.23 Affected Financial Institutions. No Obligor is an Affected Financial Institution.

ARTICLE IV  
Conditions

Section 4.01 Effective Date. The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) Credit Agreement and Other Loan Documents. The Administrative Agent (or its counsel) shall have received (i) from each party hereto either (A) a counterpart of this Agreement signed on behalf of such party or (B) written evidence satisfactory to the Administrative Agent (which may include facsimile or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement, (ii) either (A) a counterpart of each other Loan Document signed on behalf of each party thereto or (B) written evidence satisfactory to the Administrative Agent (which may include facsimile or other electronic transmission of a signed signature page thereof) that each such party has signed a counterpart of such Loan Document and (iii) such other certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with the transactions contemplated by this Agreement and the other Loan Documents, including any promissory notes requested by a Lender pursuant to Section 2.10(f) payable to the order of each such requesting Lender and a written opinion of (A) Simpson Thacher & Bartlett LLP, special counsel to the Borrowers and the other Obligors and (B) Williams, Porter, Day & Neville P.C., special Wyoming counsel to the Borrowers and the other Obligors, in each case, addressed to the Administrative Agent, the Issuing Banks and the Lenders and other holders of the Secured Obligations.

(b) Financial Statements and Projections. The Lenders shall have received (i) audited consolidated financial statements of the Kodiak Borrower and its Subsidiaries as of and for the fiscal year ended December 31, 2021, (ii) audited consolidated financial statements of Kodiak Corp and its subsidiaries as of and for the fiscal year ended December 31, 2022, (iii) unaudited monthly interim consolidated financial statements of the Kodiak Borrower and its Subsidiaries for the fiscal months of January 2023 and February 2023, and such financial statements shall not, in the reasonable judgment of the Administrative Agent, reflect any material adverse change in the consolidated financial condition of the Kodiak Borrower and its Subsidiaries, as reflected in the audited consolidated financial statements described in clause (ii) of this paragraph (the financial statements described in clauses (i), (ii) and (iii) of this Section 4.01(b), collectively, the "Specified Financial Statements") and (iv) satisfactory projections for the remainder of 2023 through and including the Kodiak Borrower's fiscal year ending December 31, 2027, which shall include a balance sheet, income statement and statement of cash flows.

(c) Officer's Certificates: Certified Certificate of Incorporation: Good Standing Certificates The Administrative Agent shall have received (i) a certificate of each Obligor, the Existing Members and Kodiak Corp, dated the Effective Date and executed by its Secretary or Assistant Secretary or a Responsible Officer thereof (or other officer of such Person reasonably satisfactory to the Administrative Agent), which shall (A) certify the resolutions of its Board of Directors, members or other body authorizing the execution, delivery and performance of the Loan Documents to which it is a party, (B) identify by name and title and bear the signatures of the officers of such Person authorized to sign the Loan Documents to which it is a party and, in the case of each Borrower, at least one of its Financial Officers, and (C) contain appropriate attachments, including the certificate or articles of incorporation or organization of each Obligor certified by the relevant authority of the jurisdiction of organization of such Obligor and a true and correct copy of its by-laws or operating, management or partnership agreement or other organizational or governing documents, and (ii) where applicable, a long form good standing certificate for each Obligor from its jurisdiction of organization or the substantive equivalent available in the jurisdiction of organization for each Obligor from the appropriate governmental officer in such jurisdiction, in each case as of a recent date.

(d) Closing Certificate. The Administrative Agent shall have received a certificate, signed by a Financial Officer of the Borrower Representative, dated as of the Effective Date (i) stating that no Default has occurred and is continuing and (ii) stating that the representations and warranties contained in the Loan Documents are true and correct in all material respects as of such date (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date, and that any representation or warranty which is subject to any materiality qualifier shall be required to be true and correct in all respects).

(e) Fees. The Lenders and the Administrative Agent shall have received all fees required to be paid, and all expenses for which invoices have been presented (including the reasonable fees and expenses of legal counsel), on or before the Effective Date. All such amounts will be paid with proceeds of Loans made on the Effective Date and will be reflected in the funding instructions given by the Borrower Representative to the Administrative Agent on or before the Effective Date.

(f) Lien Searches. The Administrative Agent shall have received the results of a recent lien search in each jurisdiction where the Obligors are organized and where the assets of the Obligors are located, and such search shall reveal no Liens on any of the assets of the Obligors except for Liens permitted by Section 6.02 or discharged on or prior to the Effective Date pursuant to a pay-off letter or other documentation satisfactory to the Administrative Agent.

(g) Funding Account. The Administrative Agent shall have received a notice setting forth the deposit account of the Kodiak Borrower (the "Funding Account") to which the Lender is authorized by the Borrowers to transfer the proceeds of any Borrowings requested or authorized pursuant to this Agreement.

(h) Customer List. The Administrative Agent shall have received a true and complete customer list for each Borrower and its subsidiaries, which list shall state the customer's name, mailing address and phone number and shall be certified as true and correct by a Financial Officer of the Borrower Representative.

(i) Collateral Access and Control Agreements. To the extent applicable, the Administrative Agent shall have received each (i) Collateral Access Agreement required to be provided pursuant to Section 4.13 of the Security Agreement and (ii) Deposit Account Control Agreement, Securities Account Control Agreement and Commodity Account Control Agreement required to be provided pursuant to Section 4.14 of the Security Agreement.

(j) Solvency. The Administrative Agent shall have received a solvency certificate of the Obligors dated as of the Effective Date from a Financial Officer of each Borrower.

(k) Borrowing Base Certificate. The Administrative Agent shall have received a Borrowing Base Certificate which calculates the Borrowing Base as of a date specified by the Administrative Agent prior to the Effective Date with customary supporting documentation and supplemental reporting to be agreed upon between the Administrative Agent and the Borrower Representative.

(l) Pledged Equity Interests; Stock Powers; Pledged Notes. The Administrative Agent shall have received (i) if applicable, the certificates representing the shares of Equity Interests pledged pursuant to the Security Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) each promissory note (if any) pledged to the Administrative Agent pursuant to the Security Agreement endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank) by the pledgor thereof.

(m) Filings, Registrations and Recordings. Each document (including any Uniform Commercial Code financing statement) required by the Collateral Documents or under law or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to create in favor of the Administrative Agent, for the benefit of itself, the Lenders and the other holders of the Secured Obligations, a perfected Lien on the Collateral described therein, prior and superior in right to any other Person (other than with respect to Liens expressly permitted by Section 6.02), shall be in proper form for filing, registration or recordation.

(n) Insurance. The Administrative Agent shall have received evidence of the insurance coverage in form, scope, and substance reasonably satisfactory to the Administrative Agent and otherwise in compliance with the terms of Section 5.10 hereof and Section 4.12 of the Security Agreement. The Administrative Agent hereby agrees that the insurance certificates delivered most recently under the Existing Credit Agreement shall be deemed to satisfy this condition.

(o) Letter of Credit Application. If a Letter of Credit is requested to be issued on the Effective Date, the Administrative Agent shall have received a properly completed letter of credit application or other letter of credit agreement (whether standalone or pursuant to a master agreement, as applicable). The Borrowers shall have executed each Issuing Bank's master agreement for the issuance of commercial Letters of Credit, if applicable.

(p) Tax Withholding. The Administrative Agent shall have received a properly completed and signed IRS Form W-8 or W-9, as applicable, for each Obligor.

(q) Corporate Structure. The corporate structure, capital structure, other debt instruments, material accounts and governing documents of the Obligors and Kodiak Corp shall be acceptable to the Administrative Agent in its sole discretion (for the avoidance of doubt, this shall include a review of the Frontier Borrower's and the Obligors' proposed structure after giving effect to a Successful IPO).

(r) Field Examination. The Administrative Agent or its designee shall have received a field examination and audits of the Loan Parties' Accounts, Inventory (including, without limitation, the rental fleet and related Compressor Components), related working capital matters and of the Loan Parties' related data processing and other systems and such other information or materials as the Administrative Agent shall include within the scope of such field examinations and audits, the results of which shall be satisfactory to the Administrative Agent in its sole discretion. The Administrative Agent hereby agrees that the field examination previously delivered most recently under the Existing Credit Agreement shall be deemed to satisfy this condition.

(s) Legal Due Diligence. The Administrative Agent and its counsel shall have completed all legal and regulatory due diligence (including but not limited to compliance with all applicable requirements of Regulations T, U and X of the Federal Reserve Board), the results of which shall be satisfactory to Administrative Agent in its sole discretion.

(t) Appraisals. The Administrative Agent shall have received one or more asset appraisals of the Loan Parties' rental fleet and the related Compressor Components from appraisers acceptable to the Administrative Agent, and prepared on a basis satisfactory to the Administrative Agent, such appraisals to include, without limitation, information required by any applicable Requirement of Law. The Administrative Agent hereby agrees that the asset appraisal previously delivered most recently under the Existing Credit Agreement shall be deemed to satisfy this condition.

(u) USA PATRIOT Act, Etc. (i) The Administrative Agent and the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act, and (ii) to the extent any Obligor qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, each Lender that has requested at least five (5) Business Days prior to the Effective Date a Beneficial Ownership Certification in relation to the Kodiak Borrower shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (v)(ii) shall be deemed to be satisfied).

(v) Perfection Certificate. The Administrative Agent shall have received an executed copy of the Perfection Certificate.

(w) Certificated Equity. The Administrative Agent shall have received all certificates and other instruments (if any) representing Equity Interests pledged pursuant to the Collateral Documents, together with an undated stock power for each such certificate executed in blank by the pledgor thereof.

(x) Governmental and Third-Party Consents. All governmental and third-party consents and all equity holder and board of directors (or comparable governing body) authorizations that are necessary to consummate the Transactions shall have been obtained on terms satisfactory to the Administrative Agent and shall be in full force and effect.

(y) Other Documents. The Administrative Agent shall have received such other documents as the Administrative Agent, any Issuing Bank, any Lender or their respective counsel may have reasonably requested.

Without limiting the generality of the provisions of Article VIII, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or be satisfied with, each document or other matter required under this Section 4.01 to be consented to or approved by or be acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the Effective Date specifying its objection thereto. All documents executed or submitted pursuant to this Section 4.01 by and on behalf of the Kodiak Borrower shall be in form and substance reasonably satisfactory to the Administrative Agent and its counsel. The Administrative Agent shall notify the Kodiak Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding.

Upon the satisfaction of the conditions precedent set forth in this Section 4.01 on the Effective Date, (a) each Lender who holds Revolving Loans in an aggregate amount less than its Applicable Percentage (after giving effect to this amendment and restatement) of all Revolving Loans shall advance new Revolving Loans which shall be disbursed to the Administrative Agent and used to repay Revolving Loans outstanding to each Lender who holds Revolving Loans in an aggregate amount greater than its Applicable Percentage of all Revolving Loans, (b) each Lender's participation in each Letter of Credit shall be automatically adjusted to equal its Applicable Percentage (after giving effect to this amendment and restatement), and (c) such other adjustments shall be made as the Administrative Agent shall specify so that each Lender's Revolving Exposure equals its Applicable Percentage (after giving effect to this amendment and restatement).

Section 4.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of any Issuing Bank to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Obligors set forth in the Loan Documents shall be true and correct in all material respects with the same effect as though made on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date, and that any representation or warranty which is subject to any materiality qualifier shall be required to be true and correct in all respects).



(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, (i) no Default shall have occurred and be continuing and (ii) no Protective Advance shall be outstanding.

(c) After giving effect to any Borrowing or the issuance, amendment, renewal or extension of any Letter of Credit, Availability shall not be less than zero.

(d) No event shall have occurred and no condition shall exist which has or could reasonably be expected to have a Material Adverse Effect.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrowers on the date thereof as to the matters specified in paragraphs (a), (b), (c) and (d) of this Section.

Notwithstanding the failure to satisfy the conditions precedent set forth in paragraphs (a) or (b) of this Section, unless otherwise directed by the Required Lenders, the Administrative Agent may, but shall have no obligation to, continue to make Loans and an Issuing Bank may, but shall have no obligation to, issue, amend, renew or extend, or cause to be issued, amended, renewed or extended, any Letter of Credit for the ratable account and risk of Lenders from time to time if the Administrative Agent believes that making such Loans or issuing, amending, renewing or extending, or causing the issuance, amendment, renewal or extension of, any such Letter of Credit is in the best interests of the Lenders.

#### ARTICLE V Affirmative Covenants

Until all of the Secured Obligations have been Paid in Full, each Obligor executing this Agreement covenants and agrees, jointly and severally with all of the other Obligors, with the Lenders that:

Section 5.01 Financial Statements; Borrowing Base and Other Information. The Borrowers will furnish to the Administrative Agent and each Lender:

(a) within one hundred twenty (120) days (or, after a Successful IPO, within ninety (90) days) after the end of each fiscal year of Kodiak Corp, (i) its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by independent public accountants of recognized national standing or otherwise acceptable to the Required Lenders (without a "going concern" or like qualification or exception and without any qualification, commentary or exception as to the scope of such audit) and (ii) prior to the occurrence of a Successful IPO and solely to the extent different from and not set forth in the information provided pursuant to the foregoing clause (i), unaudited consolidating financial information prepared by the Borrower Representative as a schedule to the audited consolidated financial statements, showing any adjustments to the audited consolidated financial statements which are necessary to demonstrate the financial condition and results of operations of the Kodiak Borrower and its consolidated Subsidiaries, all certified by a Financial Officer of the Borrower Representative as presenting fairly in all material respects the financial condition and results of operations of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, accompanied by any management letter prepared by said accountants;

(b) (i) within sixty (60) days (or, after a Successful IPO, within forty-five (45) days) after the end of each of the first three fiscal quarters of each fiscal year of Kodiak Corp, (x) its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of such fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year and (y) prior to the occurrence of a Successful IPO and solely to the extent different from and not set forth in the information provided pursuant to the foregoing clause (x), unaudited consolidating financial information prepared by the Borrower Representative as a schedule to the consolidated financial statements, showing any adjustments to the consolidated financial statements which are necessary to demonstrate the financial condition and results of operations of the Kodiak Borrower and its consolidated Subsidiaries, and (ii) prior to the occurrence of a Successful IPO, within twenty (20) days after the end of each fiscal month of each fiscal year of the Kodiak Borrower, its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal month and the then elapsed portion of such fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer of the Borrower Representative as presenting fairly in all material respects the financial condition and results of operations of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes provided, however, that after the occurrence of a Successful IPO, the Borrowers will not be required to furnish to the Administrative Agent or the Lenders any monthly financial statements required by clause (b)(ii) of this Section 5.01 or any monthly Compliance Certificate required by clause (c)(1) below);

(c) (1) concurrently with any delivery of financial statements under clause (a)(i), clause (b)(i) or clause (b)(ii) above, a Compliance Certificate (i) certifying, in the case of the financial statements delivered under clause (b)(i) or clause (b)(ii), as presenting fairly in all material respects the financial condition and results of operations of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes, (ii) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (iii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.12, including setting forth reasonably detailed calculations of the Leverage Ratio for such period then ended and an indication of the Applicable Rate based on such calculation, (iv) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited financial statements referred to in Section 3.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and (v) providing a status report regarding each gas compression agreement covering any Compressor Unit, including whether such servicing agreement has been amended, restated, modified or terminated during such period; provided that the Borrowers shall only be required to deliver a copy of any new gas compression agreement or any amendment, modification or termination of any gas

compression agreement if requested by the Administrative Agent in writing, and (II) concurrently with any delivery of financial statements under clause (a)(ii) or clause (b)(i)(v) above, a certificate of a Financial Officer of the Borrower Representative in substantially the form of Exhibit C certifying that the financial statements delivered under clause (a)(ii) or clause (b)(i)(v), as applicable, present fairly in all material respects the financial condition and results of operations of the Kodiak Borrower and its consolidated Subsidiaries in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(d) concurrently with any delivery of financial statements under clause (a)(i) above, a certificate of the accounting firm that reported on such financial statements stating whether they obtained knowledge during the course of their examination of such financial statements of any Default (which certificate may be limited to the extent required by accounting rules or guidelines);

(e) within thirty (30) days after the end of each fiscal year of the Kodiak Borrower, a copy of the plan and forecast (including a projected consolidated and consolidating balance sheet, income statement and cash flow statement) of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its consolidated Subsidiaries for each month of the upcoming fiscal year (the "Projections") in form reasonably satisfactory to the Administrative Agent;

(f) as soon as available but in any event within twenty (20) days of the end of each calendar month, at such time as delivery of an updated Borrowing Base Certificate is required by Section 6.05(g) and at such other times as may be necessary to redetermine Availability with respect to Loans or Letters of Credit hereunder or as may be requested by the Administrative Agent, as of the period then ended, a Borrowing Base Certificate and supporting information in connection therewith, together with any additional reports with respect to the Borrowing Base as the Administrative Agent may reasonably request; provided that, at any time an Activation Period exists, a Borrowing Base Certificate shall be delivered weekly within three (3) Business Days after the end of each calendar week;

(g) as soon as available but in any event within twenty (20) days of the end of each calendar month (or within three (3) Business Days after the end of each calendar week during an Activation Period) and at such other times as may be requested by the Administrative Agent, as of the period then ended, all delivered electronically in a text formatted file acceptable to the Administrative Agent:

(i) a detailed aging of the Loan Parties' Accounts, including all invoices aged by invoice date and due date (with an explanation of the terms offered), prepared in a manner reasonably acceptable to the Administrative Agent, together with a summary specifying the name, address, and balance due for each Account Debtor;

(ii) a schedule detailing the Loan Parties' Inventory, in form satisfactory to the Administrative Agent, (A) by location (showing Inventory in transit and any Inventory located with a third party under any consignment, bailee arrangement or warehouse agreement), by product type (including Compressor Units and Compressor Components), and by volume on hand, which Inventory shall be valued at the lower of cost (determined on a FIFO Basis) or market (which approximates cost) and adjusted for Borrowing Base Reserves as the Administrative Agent

has previously indicated to the Borrower Representative are deemed by the Administrative Agent to be appropriate, and (B) including a report of any variances or other results of Inventory counts performed by the Loan Parties since the last Inventory schedule (including information regarding sales or other reductions, additions, returns, credits issued by the Loan Parties and complaints and claims made against the Loan Parties);

(iii) a worksheet of calculations prepared by the Kodiak Borrower to determine Loan Parties' Eligible Accounts, Eligible Inventory, Eligible Compressor Components, Eligible Rental Compressors and Eligible New Rental Fleet, such worksheets detailing the Accounts and Inventory (including Compressor Units and Compressor Components) excluded from Eligible Accounts, Eligible Inventory, Eligible Compressor Components, Eligible Rental Compressors and Eligible New Rental Fleet and the reason for such exclusion;

(iv) a reconciliation of the Loan Parties' Accounts and Inventory between (A) the amounts shown in the Loan Parties' general ledgers and financial statements and the reports delivered pursuant to clause (i) and clause (ii) above and (B) the amounts and dates shown in the reports delivered pursuant to clause (i) and clause (ii) above and the Borrowing Base Certificate delivered pursuant to clause (f) above as of such date; and

(v) a reconciliation of the loan balance per the Kodiak Borrower's general ledger to the loan balance under this Agreement;

provided, that during an Activation Period, the Administrative Agent, in its sole discretion, may require delivery of the information required by this clause (g) more often than monthly, including weekly and/or daily;

(h) as soon as available but in any event within twenty (20) days of the end of each calendar month (or within three (3) Business Days after the end of each calendar week during an Activation Period) and at such other times as may be requested by the Administrative Agent, as of the month then ended, a schedule and aging of the Loan Parties' accounts payable, delivered electronically in a text formatted file acceptable to the Administrative Agent;

(i) as soon as available but in any event within twenty (20) days of the end of each calendar quarter, as of the quarter then ended, and at such other times as may be requested by the Administrative Agent, an updated customer list for the Kodiak Borrower and its Subsidiaries, which list shall state the customer's name, mailing address and phone number, delivered electronically in a text formatted file acceptable to the Administrative Agent and certified as true and correct by a Financial Officer of the Borrower Representative;

(j) promptly upon the Administrative Agent's request:

(i) copies of invoices issued by the Loan Parties in connection with any Accounts, credit memos, shipping and delivery documents, and other information related thereto;

(ii) copies of purchase orders, invoices, and shipping and delivery documents in connection with any Inventory or Equipment purchased by any Loan Party; and

(iii) a schedule detailing the balance of all intercompany accounts of the Loan Parties;

(k) at such times as may be requested by the Administrative Agent, the Borrower Representative shall deliver the Loan Parties' sales journal, cash receipts journal (identifying trade and non-trade cash receipts) and debit memo/credit memo journal; provided that at any time an Activation Period exists, the Borrower Representative shall deliver on a weekly basis the Loan Parties' sales journal, cash receipts journal (identifying trade and non-trade cash receipts) and debit memo/credit memo journal as soon as available, but in any event within three (3) Business Days of the end of each calendar week;

(l) as soon as possible and in any event within ten (10) days of filing thereof, copies of all tax returns filed by any Obligor with the U.S. Internal Revenue Service;

(m) within twenty (20) days of each anniversary of the Effective Date, a certificate of good standing or the substantive equivalent available in the jurisdiction of incorporation, formation or organization for each Obligor from the appropriate governmental officer in such jurisdiction;

(n) promptly following any reasonable request therefor, (i) such other information regarding the operations, business affairs or financial condition of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary (including any Plan or Multiemployer Plan and any reports or other information required to be filed with respect thereto under the Code or under ERISA) as the Administrative Agent (or any Lender which has requested through the Administrative Agent) may reasonably request and (ii) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and the Beneficial Ownership Regulation; and

(o) prior to a Successful IPO and upon the reasonable request of the Required Lenders, Frontier Borrower and Kodiak Corp shall permit the Lenders to retain an independent auditor, at the expense of the Borrowers and/or the Sponsor up to an amount of \$10,000 in any year and thereafter at the Lenders' sole expense, to prepare audited financial statements with respect to the Frontier Borrower and/or Kodiak Corp.

After the occurrence of a Successful IPO, the obligation to provide the documents required to be delivered pursuant to Section 5.01(a) or (b) may be satisfied by the public filings of Kodiak Corp with the SEC (to the extent any such documents are included in materials otherwise filed with the SEC) and, if so delivered, shall be deemed to have been delivered on the date (i) on which such materials are publicly available as posted on the Electronic Data Gathering, Analysis and Retrieval system (EDGAR); or (ii) on which such documents are posted on a Borrowers' behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether made available by the Administrative Agent); provided that (A) upon written request by the Administrative Agent (or any Lender through the Administrative Agent) to the Borrower Representative, the Borrower Representative shall deliver paper copies of such documents to the Administrative Agent or such Lender until a written request to cease delivering paper copies is given by the Administrative Agent or such

Lender and (B) the Borrower Representative shall notify the Administrative Agent and each Lender (by fax or through Electronic Systems) of the posting of any such documents and provide to the Administrative Agent through Electronic Systems electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower Representative with any such request by a Lender for delivery, and each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents to it and maintaining its copies of such documents.

Section 5.02 Notices of Material Events. Each of the Obligors will furnish to the Administrative Agent and each Lender prompt (but in any event within any time period that may be specified below) written notice of the following:

- (a) the occurrence of any Default or Event of Default;
- (b) receipt of any notice of any governmental investigation or any litigation or proceeding commenced or threatened against any Obligor that (i) seeks damages in excess of \$7,500,000, (ii) seeks injunctive relief, (iii) is asserted or instituted against any Plan, its fiduciaries or its assets, (iv) alleges criminal misconduct by any Obligor, (v) alleges the violation of any law regarding, or seeks remedies in connection with, any Environmental Laws, (vi) contests any tax, fee, assessment, or other governmental charge in excess of \$7,500,000, or (vii) involves any product recall;
- (c) any Lien (other than Permitted Encumbrances) or claim made or asserted against any of the Collateral;
- (d) any loss, damage, or destruction to the Collateral in the amount of \$5,000,000 or more, whether or not covered by insurance;
- (e) within five (5) Business Days of receipt thereof, any and all default notices received under or with respect to any leased location or public warehouse where Collateral is located;
- (f) all material amendments to Material Indebtedness, together with a copy of each such amendment;
- (g) within five (5) Business Days after the occurrence thereof, any Obligor entering into a Swap Agreement or an amendment thereto, together with copies of all agreements evidencing such Swap Agreement or amendment;
- (h) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of any Borrower and any of their subsidiaries in an aggregate amount exceeding \$7,500,000;
- (i) any other development that results, or could reasonably be expected to result, in a Material Adverse Effect;

(j) promptly after the furnishing thereof, copies of any statement or report furnished to any lender or holder of debt securities of any Obligor or any of the Subsidiaries pursuant to the Term Loan Credit Agreement or any other indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 5.01 or any other clause of this Section 5.02;

(k) any change in the information provided in the Beneficial Ownership Certification delivered to such Lender that would result in a change to the list of beneficial owners identified in such certification; and

(l) not less than fifteen (15) Business Days before the Qualified IPO, the date the Qualified IPO is initially scheduled to occur (such scheduled date, the "Qualified IPO Date").

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower Representative setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03 Existence; Conduct of Business. Each Obligor will, and will cause each Subsidiary to, (a) do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, qualifications, licenses, permits, franchises, governmental authorizations, intellectual property rights, licenses and permits material to the conduct of its business, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03, and (b) carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted.

Section 5.04 Payment of Obligations. Each Obligor will, and will cause each of its subsidiaries to, pay or discharge all Material Indebtedness and all other material liabilities and obligations, including Taxes, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) such Obligor or subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect; provided, however, that each Obligor will, and will cause each of its subsidiaries to, remit withholding taxes and other payroll taxes to appropriate Governmental Authorities as and when claimed to be due, notwithstanding the foregoing exceptions.

Section 5.05 Maintenance of Properties. Each Obligor will, and will cause each of its subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted.

Section 5.06 Books and Records; Inspection Rights. Each Obligor will, and will cause each of its subsidiaries to, (a) keep proper books of record and account in which full, true and correct entries are made in accordance with GAAP of all dealings and transactions in relation to

its business and activities and (b) permit any representatives designated by the Administrative Agent or any Lender (including employees of the Administrative Agent, any Lender or any consultants, accountants, lawyers and appraisers retained by the Administrative Agent), upon reasonable prior notice, to visit and inspect each Loan Party's properties, to conduct at such Loan Party's premises field examinations of such Loan Party's assets, liabilities, books and records, including examining and making extracts from its books and records, environmental assessment reports and Phase I or Phase II studies, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested. After the occurrence and during the continuance of any Event of Default, each Loan Party shall provide the Administrative Agent and each Lender with access to its suppliers. Each Loan Party acknowledges that the Administrative Agent, after exercising its rights of inspection, may prepare and distribute to the Lenders certain Reports pertaining to the Loan Parties' assets for internal use by the Administrative Agent and the Lenders.

Section 5.07 Compliance with Laws. Each Loan Party will, and will cause each Subsidiary to, (i) comply with each Requirement of Law applicable to it or its property (including without limitation Environmental Laws) and (ii) perform in all material respects its obligations under material agreements to which it is a party, except, in each case, where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Each Loan Party will maintain in effect and enforce policies and procedures designed to ensure compliance by such Loan Party, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

Section 5.08 Use of Proceeds.

(a) The proceeds of the Loans and the Letters of Credit will be used only to finance the Transactions and expenses incurred in connection therewith and for the working capital needs and for the general corporate purposes of the Loan Parties. No part of the proceeds of any Loan and no Letter of Credit will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Federal Reserve Board, including Regulations T, U and X.

(b) No Borrowers will request any Borrowing or Letter of Credit, and no Borrower shall use, and each Borrower shall procure that its Subsidiaries and its and their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 5.09 Accuracy of Information. The Obligors will ensure that any information, including financial statements or other documents, furnished to the Administrative Agent or the Lenders in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder contains no material misstatement of fact or omits to state any material fact necessary to make the statements therein,



in the light of the circumstances under which they were made, not misleading, and the furnishing of such information shall be deemed to be a representation and warranty by the Obligor on the date thereof as to the matters specified in this Section 5.09; provided that, with respect to projected financial information, the Obligor will only ensure that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 5.10 Insurance. Each Obligor will, and will cause each of its subsidiaries to, maintain with financially sound and reputable carriers having a financial strength rating of at least A- by A.M. Best Company (a) insurance in such amounts (with no greater risk retention) and against such risks (including, without limitation: loss or damage by fire and loss in transit; theft, burglary, pilferage, larceny, embezzlement, and other criminal activities; business interruption; and general liability) and such other hazards, as is customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations and (b) all insurance required pursuant to the Collateral Documents. The Borrowers will furnish to the Lenders, upon request of the Administrative Agent, information in reasonable detail as to the insurance so maintained. Each Obligor shall maintain flood insurance on all real property constituting Collateral, from such providers, in amounts and on terms in accordance with the Flood Laws or as otherwise satisfactory to all Lenders.

Section 5.11 Casualty and Condemnation. The Obligor will (a) furnish to the Administrative Agent and the Lenders prompt written notice of any casualty or other insured damage to any material portion of the Collateral or the commencement of any action or proceeding for the taking of any material portion of the Collateral or interest therein under power of eminent domain or by condemnation or similar proceeding and (b) ensure that the Net Proceeds of any such event (whether in the form of insurance proceeds, condemnation awards or otherwise) are collected and applied in accordance with the applicable provisions of this Agreement and the Collateral Documents.

Section 5.12 Appraisals. At any time that the Administrative Agent requests, but in no event more than one (1) time per consecutive twelve-month period (increasing to two (2) times in any consecutive twelve-month period during which an Availability Trigger Period commenced), the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) will, and will cause each of its Subsidiaries to, provide the Administrative Agent with an appraisal or update thereof of the Loan Parties' Inventory comprised of Compressor Units from an appraiser selected and engaged by the Administrative Agent, and prepared on a basis satisfactory to the Administrative Agent, such appraisal and update to include, without limitation, information required by any applicable Requirement of Law; provided, however, that if no Default has occurred and is continuing, one (1) such appraisal per consecutive twelve-month period (increasing to two (2) such appraisals in any consecutive twelve-month period during which an Availability Trigger Period commenced) shall be at the sole expense of the Loan Parties. Notwithstanding the foregoing, if a Default has occurred and is continuing, such appraisals may be conducted up to one (1) time per fiscal quarter and the Loan Parties shall be responsible for the costs of all such appraisals conducted while a Default has occurred and is continuing.

Section 5.13 Field Examinations. At any time that the Administrative Agent requests, but in no event more than one (1) time per consecutive twelve-month period (increasing to two (2) times in any consecutive twelve-month period during which an Availability Trigger Period

commenced), the Loan Parties will permit the Administrative Agent to conduct a field examination with respect to the Loan Parties' Accounts and Inventory (including Compressor Units) and such other matters regarding the Loan Parties or the Collateral as the Administrative Agent shall reasonably require; provided, however, the Borrowers shall only be required to reimburse the Administrative Agent for the cost of one (1) field examination in any consecutive twelve-month period (increasing to two (2) field examinations in any consecutive twelve-month period during which an Availability Trigger Period commenced) unless a Default has occurred and is continuing, at which time each field examination commenced during the existence of a Default shall be at the expense of the Loan Parties. Notwithstanding the foregoing, a field examination shall be conducted at any time the Administrative Agent reasonably requests if a Default has occurred and is continuing.

Section 5.14 Depository Banks. The Obligors will maintain JPMCB as their principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity and other deposit accounts for the conduct of its business.

Section 5.15 Additional Collateral; Further Assurances.

(a) Subject to and solely to the extent permitted by applicable Requirements of Law, the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and each Subsidiary that is a Loan Party will cause each of its Domestic Subsidiaries formed or acquired on or after the date of this Agreement in accordance with the terms of this Agreement to become a Loan Party, a Loan Guarantor and an Obligor by executing a Joinder Agreement; provided, however, that notwithstanding the foregoing, no such Domestic Subsidiary shall be required to become a Loan Party to the extent (i) not permitted pursuant to any contractual obligation applicable thereto that exists at the time such Domestic Subsidiary is acquired (other than on the Effective Date when this clause (i) shall not apply) and which contractual obligation was not entered into in contemplation of such acquisition and only for so long as such prohibition is continuing; provided that, the Kodiak Borrower shall use commercially reasonable efforts to obtain any consents necessary to discontinue such prohibition and to enable such Domestic Subsidiary to become a Loan Party, (ii) resulting in material adverse tax consequences to the Kodiak Borrower or any of its Subsidiaries, as reasonably determined by the Kodiak Borrower in consultation with the Administrative Agent, including as a result of the operation of Section 956 of the Code or (iii) the burden or cost of becoming a Loan Party outweighs the benefits afforded thereby in the reasonable judgment of the Administrative Agent. Upon execution and delivery thereof, each such Person (i) shall automatically become a Loan Guarantor hereunder and thereupon shall have all of the rights, benefits, duties and obligations in such capacity under the Loan Documents and (ii) will grant Liens to the Administrative Agent, for the benefit of the Administrative Agent, the Lenders and the other Secured Parties, in any property of such Loan Party which constitutes Collateral.

(b) The Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and each Subsidiary that is a Loan Party will cause (i) 100% of the issued and outstanding Equity Interests of each of its Domestic Subsidiaries and (ii) 65% (or such greater percentage that, due to a change in applicable law after the date hereof, (1) could not reasonably be expected to cause the undistributed earnings of such Foreign Subsidiary as determined for U.S. Federal income tax purposes to be treated as a deemed dividend to such Foreign Subsidiary's U.S. parent and (2) could not reasonably be expected to cause any material adverse tax consequences) of the issued and

outstanding Equity Interests entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)) and 100% of the issued and outstanding Equity Interests not entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)) in each Foreign Subsidiary directly owned by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any of its Domestic Subsidiaries to be subject at all times to a first priority, perfected Lien in favor of the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties, pursuant to the terms and conditions of the Loan Documents or other security documents as the Administrative Agent shall reasonably request.

(c) Prior to a Successful IPO, (i) the Kodiak Borrower will cause any Person that acquires any Equity Interests of the Kodiak Borrower after the date of this Agreement to become a party to the Kodiak Pledge Agreement and (ii) the Frontier Borrower will cause any Person that acquires any Equity Interests of the Frontier Borrower after the date of this Agreement to become a party to the Frontier Pledge Agreement. Upon execution and delivery thereof, each such Person will grant Liens to the Administrative Agent, for the benefit of the Administrative Agent, the Lenders and the other Secured Parties, in such Equity Interests.

(d) Without limiting the foregoing, each Obligor will, and will cause each of its subsidiaries to, execute and deliver, or cause to be executed and delivered, to the Administrative Agent such documents, agreements and instruments, and take or cause to be taken such further actions (including the filing and recording of financing statements, fixture filings and other documents and such other actions or deliveries of the type required by Section 4.01, as applicable), which may be required by any Requirement of Law or which the Administrative Agent may, from time to time, reasonably request to carry out the terms and conditions of this Agreement and the other Loan Documents and to ensure perfection and priority of the Liens created or intended to be created by the Collateral Documents, all at the expense of the Obligors, and such other documents as the Administrative Agent may reasonably request on behalf of any Lender that is a regulated financial institution or any affiliate of such a Lender (each, a "**Regulated Lender Entity**"), in each case, to the extent such other documents are required for compliance by such Regulated Lender Entity with applicable Law with respect to flood insurance diligence, documentation and coverage under the Flood Laws. Prior to signing by the Obligors of any mortgage or deed of trust, the Obligors and the Administrative Agent shall have provided each Regulated Lender Entity a copy of the life of loan flood zone determination relative to any real property to be subject to such mortgage or deed of trust delivered to the Administrative Agent and copies of the other documents required by any such Regulated Lender Entity as provided in the preceding sentence and shall have received confirmation from each Regulated Lender Entity that flood insurance due diligence and flood insurance compliance has been completed by such Regulated Lender Entity (such confirmation not to be unreasonably withheld, conditioned or delayed, and shall be delivered promptly upon such completion by the applicable Regulated Lender Entity). Notwithstanding the foregoing, at any time after an Event of Default has occurred, each Loan Party will, upon the request of the Administrative Agent, cause each Foreign Subsidiary, if any, to become an Obligor and a Loan Guarantor and to grant Liens to the Administrative Agent on its assets and have the balance of its Equity Interests pledged to the Administrative Agent.

(e) If any material assets (other than vehicles or real property or improvements thereto or any interest therein or any other asset not constituting Collateral) are acquired by any Obligor after the Effective Date (other than assets constituting Collateral under the Security

Agreement that become subject to the Lien in favor of the Security Agreement upon acquisition thereof), the Borrower Representative will (i) notify the Administrative Agent and the Lenders thereof and, if requested by the Administrative Agent or the Required Lenders, cause such assets to be subjected to a Lien securing the Secured Obligations and (ii) take, and cause each applicable Obligor to take, such actions as shall be necessary or reasonably requested by the Administrative Agent to grant and perfect such Liens, including actions described in paragraph (d) of this Section, all at the expense of the Obligors.

Section 5.16 Interest Rate Protection. Prior to the occurrence of a Successful IPO, the Kodiak Borrower shall have entered into and thereafter shall maintain Swap Agreements with one or more Lenders or Affiliates thereof or other interest rate caps at all times at a maximum rate of two and one-half percent (2.50%) over the then-prevailing three month Term SOFR Rate with a notional amount corresponding to at least 50% of Outstandings, which agreements, as of any date of determination, shall expire by their terms no earlier than the earlier of (a) 18 months from the applicable date of determination and (b) the "Maturity Date" under (and as defined in) the Term Loan Credit Agreement.

#### ARTICLE VI Negative Covenants

Until all of the Secured Obligations have been Paid in Full, each Obligor executing this Agreement covenants and agrees, jointly and severally with all of the other Obligors, with the Lenders that:

Section 6.01 Indebtedness. No Loan Party will, nor will it permit any Subsidiary to, create, incur, assume or suffer to exist any Indebtedness, except:

(a) the Secured Obligations;

(b) Indebtedness existing on the date hereof and set forth in Schedule 6.01 and extensions, renewals, refinancings and replacements of any such Indebtedness in accordance with clause (f) hereof;

(c) Indebtedness of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) to any Subsidiary and of any Subsidiary to the Kodiak Borrower or any other Subsidiary, provided that (i) Indebtedness of any Subsidiary that is not a Loan Party to the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary that is a Loan Party shall be subject to Section 6.04 and (ii) Indebtedness of any Loan Party to any Subsidiary that is not a Loan Party shall be subordinated to the Secured Obligations on terms reasonably satisfactory to the Administrative Agent;

(d) Guarantees by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) of Indebtedness of any Subsidiary and by any Subsidiary of Indebtedness of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any other Subsidiary, provided that (i) the Indebtedness so Guaranteed is permitted by this Section 6.01, (ii) Guarantees by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary that is a Loan Party of Indebtedness of any Subsidiary that is not a Loan Party shall be subject to Section 6.04 and (iii) Guarantees permitted under this clause (d) shall be subordinated to the Secured Obligations of the applicable Subsidiary on the same terms as the Indebtedness so Guaranteed is subordinated to the Secured Obligations;

(e) Indebtedness of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets (whether or not constituting purchase money Indebtedness), including Capital Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness in accordance with clause (f) below; provided that (i) such Indebtedness is incurred prior to or within ninety (90) days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this clause (e) together with any Refinance Indebtedness in respect thereof permitted by clause (f) below, shall not exceed \$7,500,000 at any time outstanding;

(f) Indebtedness which represents extensions, renewals, refinancing and replacements (such Indebtedness being so extended, renewed, refinanced or replaced being referred to herein as the "**Refinance Indebtedness**") of any of the Indebtedness described in clauses (b), (c), (j), (k) and (l) hereof (such Indebtedness being referred to herein as the "**Original Indebtedness**"); provided that (i) such Refinance Indebtedness does not increase the principal amount of the Original Indebtedness except by (A) an amount equal to unpaid accrued interest and premiums (including tender and call premiums) thereon plus underwriting discounts and other reasonable and customary fees, commissions and expenses (including upfront fees, original issue discount or initial yield payments) incurred in connection with the relevant refinancing, refunding or replacement, (B) an amount equal to any existing commitments unutilized thereunder and (C) any additional amount otherwise permitted to be incurred pursuant to this Section 6.01 (which shall constitute a usage of such other permitted amount and if such additional Indebtedness is secured, the Lien securing such Refinance Indebtedness satisfies the applicable requirements of Section 6.02), (ii) any Liens securing such Refinance Indebtedness are not extended to any additional property of any Loan Party or any of its Subsidiaries, (iii) no Loan Party or any of its Subsidiaries that is not originally obligated with respect to repayment of such Original Indebtedness is required to become obligated with respect to such Refinance Indebtedness, (iv) such Refinance Indebtedness does not result in a shortening of the average weighted maturity of such Original Indebtedness, (v) the terms of any Refinance Indebtedness (and, if applicable, subordination terms) are not, taken as a whole (as reasonably determined by the Borrower Representative), more favorable to the lenders providing such Indebtedness than those applicable to the relevant Original Indebtedness (other than any covenants or any other provisions applicable only to periods after the Maturity Date as of such date of issuance or any covenants or provisions which are then current market terms for the applicable type of Indebtedness (as determined in good faith by the Borrower Representative)) and (vi) if such Original Indebtedness was subordinated in right of payment to the Secured Obligations, then the terms and conditions of such Refinance Indebtedness must include subordination terms and conditions that are at least as favorable to the Administrative Agent and the Lenders as those that were applicable to such Original Indebtedness;

(g) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business;

(h) Indebtedness of any Loan Party in respect of performance bonds, bid bonds, appeal bonds, surety bonds and similar obligations, in each case provided in the ordinary course of business;

(i) Indebtedness of any Person that becomes a Subsidiary after the Effective Date; provided that (i) such Indebtedness exists at the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary and (ii) the aggregate principal amount of Indebtedness permitted by this clause (i), together with any Refinance Indebtedness in respect thereof permitted by clause (f) above, shall not exceed \$2,500,000 at any time outstanding;

(j) other Indebtedness (including to the extent secured by assets that are not Collateral under this Agreement and the other Loan Documents) in an aggregate principal amount not exceeding \$55,000,000 at any time outstanding;

(k) at any time prior to a Successful IPO, unsecured Indebtedness arising under the Term Loan Credit Agreement in an aggregate principal amount not to exceed \$1,000,000,000, including any Refinance Indebtedness in respect thereof permitted by clause (f) above (such Indebtedness, the "**Term Loan Indebtedness**"); provided that any such Indebtedness arising after the Effective Date (including any Refinance Indebtedness) shall be on terms equally or less restrictive to the Borrowers as the unsecured Indebtedness arising under the Term Loan Credit Agreement on the Effective Date or such other terms as agreed to by the Administrative Agent; provided, however, that, for the avoidance of doubt, the Term Loan Indebtedness shall not be permitted at any time after a Successful IPO; and

(l) at any time after a Successful IPO, other unsecured Indebtedness of Kodiak Corp or its Subsidiaries ("**Unsecured Debt**"); provided that (i) on the date of incurrence thereof and after giving pro forma effect thereto and the use of proceeds thereof, the Borrowers are in pro forma compliance (on a pro forma basis) with the financial covenants contained in Section 6.12 at such time (and the Borrower Representative shall, on the date of incurrence of such Indebtedness, deliver a certificate of a Financial Officer in form and detail reasonably satisfactory to the Administrative Agent demonstrating compliance with such financial covenants), (ii) no Default or Event of Default shall exist or will result immediately after giving effect to the incurrence of such Indebtedness, (iii) the borrower and the guarantors with respect to such Indebtedness shall only be the Obligor (or if any other Person is a borrower or guarantor in respect of such Indebtedness, such other Person shall become a Loan Guarantor hereunder and under the other Loan Documents pursuant to Section 5.15) and (iv) the maturity of such Indebtedness is not prior to, and such Indebtedness does not require any scheduled amortization or other scheduled prepayments of principal, prior to, the date that is 120 days after the Maturity Date.

Section 6.02 Liens. No Loan Party will, nor will it permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

- (a) Liens created pursuant to any Loan Document;

(b) Permitted Encumbrances;

(c) any Lien on any property or asset of the Kodiak Borrower or any Subsidiary existing on the date hereof and set forth in Schedule 6.02; provided that (i) such Lien shall not apply to any other property or asset of the Kodiak Borrower or such Subsidiary and (ii) such Lien shall secure only those obligations which it secures on the date hereof, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(d) Liens on fixed or capital assets acquired, constructed or improved by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary; provided that (i) such Liens secure Indebtedness permitted by Section 6.01(c), (ii) such Liens and the Indebtedness secured thereby are incurred prior to or within ninety (90) days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such Liens shall not apply to any other property or assets of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or such Subsidiary or any other Loan Party;

(e) any Lien existing on any property or asset (other than Accounts and Inventory) prior to the acquisition thereof by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary or existing on any property or asset (other than Accounts and Inventory) of any Person that becomes a Loan Party after the Effective Date prior to the time such Person becomes a Loan Party; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Loan Party, as the case may be, (ii) such Lien shall not apply to any other property or assets of the Loan Party, (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Loan Party, as the case may be, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof and (iv) the aggregate principal amount of all Indebtedness secured under this clause (e) shall not exceed \$2,500,000 in the aggregate at any time;

(f) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon;

(g) Liens arising out of Sale and Leaseback Transactions permitted by Section 6.06;

(h) Liens granted by a Subsidiary that is not a Loan Party in favor of the Kodiak Borrower or another Loan Party in respect of Indebtedness owed by such Subsidiary; and

(i) other Liens not otherwise permitted under clauses (a) through (h) of this Section 6.02, so long as (i) the aggregate principal amount of all Indebtedness secured under this clause (i) shall not exceed \$55,000,000 in the aggregate at any time and (ii) such Liens do not apply to any Collateral under this Agreement and the other Loan Documents.

Notwithstanding the foregoing, none of the Liens permitted pursuant to this Section 6.02 may at any time attach to any Loan Party's (1) Accounts, other than those permitted under clause (a) of the definition of Permitted Encumbrances and clause (a) above and (2) Inventory, other than those permitted under clauses (a) and (b) of the definition of Permitted Encumbrances and clause (a) above.

Section 6.03 Fundamental Changes. (a) No Loan Party will, nor will it permit any Subsidiary to, divide or merge into or consolidate with any other Person, or permit any other Person to divide or merge into or consolidate with it, or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Event of Default shall have occurred and be continuing (i) any Subsidiary of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) may divide or merge into the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) in a transaction in which the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) is the surviving entity, (ii) any Obligor (other than the Kodiak Borrower and, after a Successful IPO, Kodiak Corp) may divide or merge into any Loan Party in a transaction in which the surviving entity is a Loan Party, (iii) any Obligor that is not a Loan Party may merge into any other Obligor that is not a Loan Party, (iv) any Subsidiary of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) holding less than \$1,000,000 in assets or revenues may be (x) liquidated, provided that all assets of such liquidated Subsidiary are (contemporaneously with such liquidation) contributed to a Loan Party or (y) merged into a Loan Party in a transaction in which the surviving entity is a Loan Party and (v) any Subsidiary that is not a Loan Party may liquidate or dissolve if the Borrower Representative determines in good faith that such liquidation or dissolution is in the best interests of the Borrowers and is not materially disadvantageous to the Lenders; provided that any such merger involving a Person that is not a wholly owned Subsidiary immediately prior to such merger shall not be permitted unless also permitted by Section 6.04.

(b) No Loan Party will, nor will it permit any Subsidiary to, engage to any material extent in any business other than businesses of the type conducted by the Kodiak Borrower and its Subsidiaries on the date hereof and businesses reasonably related thereto.

(c) Unless otherwise agreed by the Administrative Agent, no Obligor shall change its fiscal year from ending on December 31st of each year or its fiscal quarters from ending on March 31st, June 30th, September 30th and December 31st of each year.

(d) No Loan Parties shall have any Foreign Subsidiaries unless permitted by the Administrative Agent.

Section 6.04 Investments, Loans, Advances, Guarantees and Acquisitions. No Loan Party will, nor will it permit any Subsidiary to, form any subsidiary after the Effective Date, or purchase, hold or acquire (including pursuant to any merger with any Person that was not a Loan Party and a wholly owned Subsidiary prior to such merger) any evidences of Indebtedness or Equity Interests or other securities (including any option, warrant or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any obligations of, or make or permit to exist any investment or any other interest in, any other Person, or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit (whether through purchase of assets, merger or otherwise), except:

(a) Permitted Investments, subject to control agreements in favor of the Administrative Agent for the benefit of the Lenders and the other Secured Parties or otherwise subject to a perfected security interest in favor of the Administrative Agent for the benefit of the Lenders and the other Secured Parties;



(b) investments in existence on the date hereof and described in Section 6.04;

(c) investments by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and the Subsidiaries in Equity Interests in their respective Subsidiaries, provided that (A) any such Equity Interests held by an Obligor shall be pledged pursuant to the Security Agreement (subject to the limitations applicable to common stock of a Foreign Subsidiary referred to in Section 5.15) and (B) the aggregate amount of investments by Loan Parties in Subsidiaries that are not Loan Parties (together with outstanding intercompany loans permitted under clause (B) to the proviso to Section 6.04(d) and outstanding Guarantees permitted under the proviso to Section 6.04(e)) shall not exceed \$5,000,000 at any time outstanding (in each case determined without regard to any write-downs or write-offs);

(d) investments, loans or advances made by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) to any Subsidiary and made by any Subsidiary to the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any other Subsidiary, provided that (A) any such investments, loans and advances made by a Loan Party shall be evidenced by a promissory note pledged pursuant to the Security Agreement and (B) the amount of such investments, loans and advances made by Loan Parties to Subsidiaries that are not Loan Parties (together with outstanding investments permitted under clause (B) to the proviso to Section 6.04(c) and outstanding Guarantees permitted under the proviso to Section 6.04(e)) shall not exceed \$5,000,000 at any time outstanding (in each case determined without regard to any write-downs or write-offs);

(e) Guarantees constituting Indebtedness permitted by Section 6.01, provided that the aggregate principal amount of Indebtedness of Subsidiaries that are not Loan Parties that is Guaranteed by any Loan Party (together with outstanding investments permitted under clause (B) to the proviso to Section 6.04(c) and outstanding intercompany loans permitted under clause (B) to the proviso to Section 6.04(d)) shall not exceed \$5,000,000 at any time outstanding (in each case determined without regard to any write-downs or write-offs);

(f) loans or advances made by a Loan Party to its employees on an arms-length basis in the ordinary course of business consistent with past practices for travel and entertainment expenses, relocation costs and similar purposes up to a maximum of \$750,000 in the aggregate at any one time outstanding;

(g) subject to Section 4.2(a) and Section 4.4 of the Security Agreement, notes payable, or stock or other securities issued by Account Debtors to a Loan Party pursuant to negotiated agreements with respect to settlement of such Account Debtor's Accounts in the ordinary course of business, consistent with past practices;

(h) investments in the form of Swap Agreements permitted by Section 6.07;

(i) investments of any Person existing at the time such Person becomes a Subsidiary of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or consolidates or merges with the Kodiak Borrower or any of the Subsidiaries (including in connection with a Permitted Acquisition) so long as such investments were not made in contemplation of such Person becoming a Subsidiary or of such merger;

- (j) investments received in connection with the disposition of assets permitted by Section 6.05;
- (k) investments constituting deposits described in clauses (e) and (d) of the definition of the term "Permitted Encumbrances";
- (l) Permitted Acquisitions so long as the Acquisition Payment Conditions are satisfied; and

(m) (x) any time prior to the consummation of a Successful IPO, other investments, loans or advances in an aggregate amount not to exceed \$150,000,000 in the aggregate at any one time outstanding, so long as the Payment Conditions shall have been satisfied at the time such investment, loan or advance is made and (y) any time after the consummation of a Successful IPO, other investments, loans or advances, so long as the Payment Conditions shall have been satisfied at the time such investment, loan or advance is made

Section 6.05 Asset Sales. No Loan Party will, nor will it permit any Subsidiary to, sell, transfer, lease or otherwise dispose of any asset, including any Equity Interest owned by it, nor will the Kodiak Borrower permit any Subsidiary to issue any additional Equity Interest in such Subsidiary (other than to the Kodiak Borrower or another Subsidiary in compliance with Section 6.04), except:

- (a) sales, transfers and dispositions of (i) Inventory in the ordinary course of business and (ii) used, obsolete, worn out or surplus equipment or other property in the ordinary course of business;
- (b) sales, transfers and dispositions of assets to the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary provided that any such sales, transfers or dispositions involving a Subsidiary that is not a Loan Party shall be made in compliance with Section 6.09;
- (c) sales, transfers and dispositions of Accounts in connection with the compromise, settlement or collection thereof;
- (d) sales, transfers and dispositions of Permitted Investments and other investments permitted by clauses (i) and (k) of Section 6.04;
- (e) Sale and Leaseback Transactions permitted by Section 6.06;
- (f) dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of the Kodiak Borrower or any Subsidiary;
- (g) sales, transfers and other dispositions of assets (other than Equity Interests in a Subsidiary unless all Equity Interests in such Subsidiary are sold) that are not permitted by

any other paragraph of this Section, provided that the aggregate fair market value of all assets sold, transferred or otherwise disposed of in reliance upon this clause (g) shall not exceed \$100,000,000 during any fiscal year of the Kodiak Borrower (the "**Asset Disposition Limitation**"), provided, however, in the event the Loan Parties and their Subsidiaries do not utilize the entire Asset Disposition Limitation in any fiscal year, the Loan Parties and their Subsidiaries may carry forward to the next two succeeding fiscal years 100% of the unutilized portion; provided, further, that if more than 5.0% of the assets included in the most recent calculation of the Borrowing Base are being disposed of in a transaction permitted by this clause (g), then the Borrower shall deliver an updated Borrowing Base Certificate to the Administrative Agent within three (3) Business Days (or such later date as the Administrative Agent may agree in its sole discretion) after such disposition; and

(h) sales, transfers or dispositions of equipment or Inventory, including, without limitation, Compressor Units or Compressor Packages, which were acquired in the ordinary course of business pursuant to a Sale and Leaseback Transaction or otherwise, so long as the net proceeds of such sale, transfer or disposition exceeds the amount advanced on the applicable equipment or Inventory in the most recently delivered Borrowing Base Certificate;

provided that all sales, transfers, leases and other dispositions permitted under this Section 6.05 (other than those permitted by clauses (b) and (f) above) shall be made for fair value and for at least 75% cash consideration.

Section 6.06 Sale and Leaseback Transactions. No Loan Party will, nor will it permit any Subsidiary to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred (a "**Sale and Leaseback Transaction**"), except for any such sale of any fixed or capital assets by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary that is made for cash consideration in an amount not less than the fair value of such fixed or capital asset and is consummated within ninety (90) days after the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or such Subsidiary acquires or completes the construction of such fixed or capital asset.

Section 6.07 Swap Agreements. No Loan Party will, nor will it permit any Subsidiary to, enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or mitigate risks to which the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary has actual exposure (other than those in respect of Equity Interests of the Kodiak Borrower or any Subsidiary), and (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates (from floating to fixed rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary.

Section 6.08 Restricted Payments: Certain Payments of Indebtedness. (a) No Loan Party will, nor will it permit any Subsidiary to, declare or make, or agree to declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except (i) the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) may declare and pay

dividends with respect to its common Equity Interests payable solely in additional common Equity Interests, and, with respect to its preferred Equity Interests, payable solely in additional shares or units of such preferred Equity Interests or in shares or units of its common Equity Interests, (ii) Subsidiaries of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) may declare and pay dividends ratably with respect to their Equity Interests, (iii) prior to the consummation of a Successful IPO, the Kodiak Borrower may make Permitted Tax Distributions to its members so long as no Default or Event of Default has occurred and is continuing or would result therefrom (provided, however, that, for the avoidance of doubt, Permitted Tax Distributions shall not be permitted at any time after a Successful IPO), (iv) the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries may make Restricted Payments, not exceeding \$5,000,000 during any fiscal year, pursuant to and in accordance with stock option plans or other benefit plans for management or employees of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries, (v) (A) prior to the consummation of a Successful IPO, the Kodiak Borrower may make other Restricted Payments, so long as (x) the Payment Conditions shall have been satisfied after giving effect to such Restricted Payment and (y) the aggregate amount of such Restricted Payments made during any fiscal year does not exceed the greater of (1) \$50,000,000 and (2) \$100,000,000, so long as, in the case of this subclause (2), the Kodiak Borrower's Leverage Ratio after giving pro forma effect to such Restricted Payment is no greater than 5.25 to 1.00, and (B) after the consummation of a Successful IPO, Kodiak Corp and its Subsidiaries may make other Restricted Payments, so long as the Payment Conditions shall have been satisfied after giving effect to such Restricted Payment, and (vi) prior to the consummation of a Successful IPO, the Kodiak Borrower and its Subsidiaries may make additional Restricted Payments to pay any Public Company Costs of Kodiak Corp.

(b) No Loan Party will, nor will it permit any Subsidiary to, make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Indebtedness, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Indebtedness, except:

- (i) payment of Indebtedness created under the Loan Documents;
- (ii) payment of regularly scheduled interest and principal payments as and when due in respect of any Indebtedness permitted under Section 6.01, other than principal payments in respect of the Term Loan Indebtedness;
- (iii) refinancings of Indebtedness to the extent permitted by Section 6.01;
- (iv) payment of secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness to the extent such sale or transfer is permitted by the terms of Section 6.05; and
- (v) (x) any time prior to or substantially contemporaneously with the consummation of a Successful IPO, purchases, redemptions, retirement, acquisition or other termination, payments or prepayments of the principal amount of the Term Loan Indebtedness

(whether by mandatory prepayment or scheduled principal payment, including any excess cash flow payment required thereunder, or any voluntary prepayment) so long as either (1) the Payment Conditions shall have been satisfied at the time such purchase, redemption, retirement, acquisition, termination, payment or prepayment is made or (2) such payment, prepayment or other termination is made in connection with the Term Loan Refinancing (including, for the avoidance of doubt, the payment of Term Loan Indebtedness and related fees and expenses to be made with 100% of the net cash proceeds of the Qualified IPO), and (y) any time after the consummation of a Successful IPO, purchases, redemptions, retirement, acquisition or other termination, payments or prepayments of the principal amount of any Indebtedness of Kodiak Corp or its Subsidiaries (whether by mandatory prepayment or scheduled principal payment, including any excess cash flow payment required thereunder, or any voluntary prepayment) so long as the Payment Conditions shall have been satisfied at the time such purchase, redemption, retirement, acquisition, termination, payment or prepayment is made.

Section 6.09 Transactions with Affiliates. No Loan Party will, nor will it permit any Subsidiary to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) transactions that (i) are in the ordinary course of business and (ii) are at prices and on terms and conditions not less favorable to such Loan Party or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and the Kodiak Cares Foundation or any Subsidiary that is an Obligor, in each case, not involving any other Affiliate, (c) any investment permitted by Section 6.04(c) or Section 6.04(d), (d) any Indebtedness permitted under Section 6.01(c) or Section 6.01(k), (e) any Restricted Payment permitted by Section 6.08, (f) loans or advances to employees permitted under Section 6.04, (g) the payment of reasonable fees to directors of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary who are not employees of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any Subsidiary, and compensation and employee benefit arrangements paid to, and indemnities provided for the benefit of, directors, officers or employees of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or its Subsidiaries in the ordinary course of business and (h) any issuances of securities or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment agreements, stock options and stock ownership plans approved by the Kodiak Borrower's (or, after a Successful IPO, Kodiak Corp's) board of managers.

Section 6.10 Restrictive Agreements. No Loan Party will, nor will it permit any Subsidiary to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of such Loan Party or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any of its Equity Interests or to make or repay loans or advances to the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any other Subsidiary or to Guarantee Indebtedness of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) or any other Subsidiary; provided that (i) the foregoing shall not apply to restrictions and conditions imposed by Requirement of Law, by any Loan Document or by any Term Loan Document (or, after a Successful IPO, any document governing Unsecured Debt), (ii) the (shall not apply to restrictions and conditions existing on the date hereof identified on Schedule 6.10 (but shall apply to any extension or renewal of, or

any amendment or modification expanding the scope of, any such restriction or condition), (iii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (iv) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (v) clause (a) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof.

Section 6.11 Amendment of Material Documents. No Obligor will, nor will it permit any Subsidiary to, amend, modify or waive any of its rights under (a) solely prior to a Successful IPO, the Term Loan Credit Agreement or any other Term Loan Document or (b) its certificate or articles of incorporation, by-laws, operating, management or partnership agreement or other organizational documents, including, without limitation, the LLC Agreement, in each case to the extent any such amendment, modification or waiver would be materially adverse to the Lenders; provided that with respect to the Term Loan Credit Agreement and Term Loan Documents, the Borrowers will be permitted to effectuate any amendments or modifications made solely to incur additional Term Loan Indebtedness up to an aggregate principal amount permitted hereunder.

Section 6.12 Financial Covenants.

(a) Fixed Charge Coverage Ratio; Interest Coverage Ratio. (x) Prior to the occurrence of a Successful IPO, the Loan Parties will not permit the Fixed Charge Coverage Ratio, determined quarterly as of the last day of each fiscal quarter, to be less than 1.10 to 1.00 and (y) commencing with the first fiscal quarter ending after the occurrence of a Successful IPO, the Loan Parties will not permit the Interest Coverage Ratio, determined quarterly as of the last day of each fiscal quarter, to be less than 2.50 to 1.00.

(b) Leverage Ratio; Secured Leverage Ratio.

(i) Prior to the occurrence of a Successful IPO, the Loan Parties will not permit the Leverage Ratio, determined quarterly as of the last day of each fiscal quarter, to exceed (i) 7.25 to 1.00 for the fiscal quarter ending March 31, 2023, (ii) 7.00 to 1.00 for the fiscal quarters ending June 30, 2023 and September 30, 2023, (iii) 6.75 to 1.00 for the fiscal quarters ending December 31, 2023 and March 31, 2024 and (iv) 6.50 to 1.00 for each fiscal quarter ending on or after June 30, 2024.

(ii) Commencing with the first fiscal quarter ending after the occurrence of a Successful IPO but prior to the occurrence of the Conversion Event, the Loan Parties will not permit the Leverage Ratio, determined quarterly as of the last day of each fiscal quarter, to exceed (i) 5.50 to 1.00 for the fiscal quarters ending March 31, 2023 and June 30, 2023, (ii) 5.25 to 1.00 for the fiscal quarters ending September 30, 2023 and December 31, 2023, (iii) 5.00 to 1.00 for the fiscal quarter ending March 31, 2024, (iv) 4.75 to 1.00 for the fiscal quarter ending June 30, 2024 and (v) 4.50 to 1.00 for each fiscal quarter ending on or after September 30, 2024.

(iii) Commencing with the first fiscal quarter ending after the occurrence of both a Successful IPO and the Conversion Event, the Loan Parties will not permit:

(A) the Leverage Ratio, determined quarterly as of the last day of each fiscal quarter, to exceed (x) 5.75 to 1.00 for the first four fiscal quarters ending after the occurrence of the Conversion Event and (y) 5.25 to 1.00 for each fiscal quarter ending thereafter; and

(B) the Secured Leverage Ratio, determined quarterly as of the last day of each fiscal quarter, to exceed (x) 3.50 to 1.00 for the first four fiscal quarters ending after the occurrence of the Conversion Event and (y) 3.00 to 1.00 for each fiscal quarter ending thereafter.

Section 6.13 Sanctions.

(a) The Borrowers shall not, directly or indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person or obtain any Letter of Credit (i) to fund any activities or business of or with any Sanctioned Person, or in any country or territory, that at the time of such funding is the subject of any sanctions under any Sanctions, or (ii) in any other manner that would result in a violation of any Sanctions by any party to this Agreement.

(b) None of the funds or assets of the Obligors that are used to pay any amount due pursuant to this Agreement shall constitute funds obtained from transactions with or relating to Sanctioned Persons or countries which are the subject of sanctions under any Sanctions.

Section 6.14 Permitted Activities.

(a) Notwithstanding anything to the contrary contained herein, prior to the occurrence of a Successful IPO, the Frontier Borrower shall not, and shall not permit any of the Frontier Intermediate Entities to, (i) create, incur, assume or suffer to exist any Indebtedness (other than the Obligations and, solely with respect to the Frontier Borrower, the Term Loan Indebtedness), (ii) create, assume, or suffer to exist any Lien upon, or grant any options or other rights with respect to, any of its revenues, property or other assets, whether now owned or hereafter acquired (other than the Liens securing the Secured Obligations), (iii) wind-up, liquidate or dissolve itself (or suffer to exist any of the foregoing), consolidate or amalgamate with or merge into or with any other Person, or convey, sell, transfer, lease or otherwise dispose of all or any part of its assets (other than as specifically permitted hereunder or under the other Loan Documents) in one transaction or a series of transactions, to any Person or Persons, (iv) create, incur, assume or suffer to exist any investment in any Person (other than its continuing ownership of all of its subsidiaries) or (v) permit to be taken any action that would result in a Change in Control (other than as specifically permitted hereunder).

(b) Notwithstanding anything to the contrary contained herein, after the occurrence of a Successful IPO, the Kodiak Corp Intermediate Entities shall not (i) create, incur, assume or suffer to exist any Indebtedness (other than the Obligations and any Guarantee of the Unsecured Debt), (ii) create, assume, or suffer to exist any Lien upon, or grant any options or other rights with respect to, any of its revenues, property or other assets, whether now owned or hereafter acquired (other than the Liens securing the Secured Obligations), (iii) wind-up, liquidate or dissolve itself (or suffer to exist any of the foregoing), consolidate or amalgamate with or merge

into or with any other Person (other than another Obligor), or convey, sell, transfer, lease or otherwise dispose of all or any part of its assets (other than as specifically permitted hereunder or under the other Loan Documents) in one transaction or a series of transactions, to any Person or Persons (other than another Obligor), (iv) create, incur, assume or suffer to exist any investment in any Person (other than its continuing ownership of all of its subsidiaries or the transfer or other disposition of cash, securities or other property held by such Kodiak Corp Intermediate Entities to other Obligors) or (v) permit to be taken any action that would result in a Change in Control (other than as specifically permitted hereunder).

ARTICLE VII  
Events of Default

Section 7.01 Events of Default. If any of the following events ("Events of Default") shall occur:

(a) the Borrowers shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(b) the Borrowers shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Section 7.01) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three (3) Business Days following notice;

(c) any representation or warranty made or deemed made by or on behalf of any Obligor or any of its subsidiaries in, or in connection with, this Agreement or any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder, shall prove to have been materially incorrect when made or deemed made;

(d) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), Section 5.02(l), Section 5.03 (with respect to an Obligor's existence) or Section 5.08, Section 5.16 or in Article VI;

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those which constitute a default under another clause of this Section 7.01), and such failure shall continue unremedied for a period of (i) five (5) Business Days after the earlier of any Obligor's knowledge of such breach or notice thereof from the Administrative Agent (which notice will be given at the request of any Lender) if such breach relates to terms or provisions of Section 5.01, 5.02 (other than Section 5.02(a) or Section 5.02(l)), 5.03 (other than with respect to an Obligor's existence) through 5.07, 5.10, 5.11 or 5.13 of this Agreement or (ii) thirty (30) days after the earlier of any Obligor's knowledge of such breach or notice thereof from the Administrative Agent (which notice will be given at the request of any Lender) if such breach relates to terms or provisions of any other Section of this Agreement;



(f) any Obligor or any of its subsidiaries shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable to the extent a default thereunder;

(g) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness to the extent such sale or transfer is permitted by Section 6.05;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of an Obligor or any of its subsidiaries or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Obligor or any of its subsidiaries or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for ninety (90) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) any Obligor or any of its subsidiaries shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Section 7.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Obligor or such subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) any Obligor or any of its subsidiaries shall become unable, admit in writing its inability, or publicly declare its intention not to, or fail generally to pay its debts as they become due;

(k) (i) one or more judgments for the payment of money in an aggregate amount in excess of \$25,000,000 shall be rendered against any Obligor, any subsidiary of any Obligor or any combination thereof and the same shall remain undischarged for a period of sixty (60) consecutive days during which execution shall not be effectively stayed by an appeal or otherwise, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Obligor or any subsidiary of an Obligor to enforce any such judgment; or (ii) any Obligor or any of its subsidiaries shall fail within thirty (30) days to discharge one or more

non-monetary judgments or orders which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, which judgments or orders, in any such case, are not stayed on appeal or otherwise being appropriately contested in good faith by proper proceedings diligently pursued;

(l) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(m) a Change in Control shall occur unless consented to by the Required Lenders;

(n) the occurrence of any "default", as defined in any Loan Document (other than this Agreement), or the breach of any of the terms or provisions of any Loan Document (other than this Agreement), which default or breach continues beyond any period of grace therein provided;

(o) the Loan Guaranty shall fail to remain in full force or effect with respect to any Loan Guarantor or any action shall be taken to discontinue or to assert the invalidity or unenforceability of the Loan Guaranty, or any Loan Guarantor shall fail to comply with any of the terms or provisions of the Loan Guaranty, or any Loan Guarantor shall deny that it has any further liability under the Loan Guaranty, or shall give notice to such effect, including, but not limited to notice of termination delivered pursuant to Section 10.08;

(p) except as permitted by the terms of any Collateral Document, (i) any Collateral Document shall for any reason fail to create a valid security interest in any Collateral purported to be covered thereby, or (ii) any Lien securing any Secured Obligation shall cease to be a perfected, first priority Lien, except, in each case, other than with respect to any Lien under any Collateral Document or securing any Secured Obligation ceasing to be a valid, first priority Lien solely as a result of a UCC financing statement expiring if not extended in accordance with the applicable UCC;

(q) any Collateral Document shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Collateral Document (other than solely by reason of (x) the failure of the Administrative Agent to maintain possession of any Collateral actually delivered to it or the failure of the Administrative Agent to file UCC (or equivalent) continuation statements, (y) a release of Collateral in accordance with the terms hereof or thereof or (z) the occurrence of the Maturity Date or any other termination of such Collateral Document in accordance with the terms thereof); or

(r) any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Obligor shall challenge the enforceability of any Loan Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms);

then, and in every such event (other than an event with respect to any Obligor described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event,

the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower Representative, take either or both of the following actions, at the same or different times: (i) terminate the Commitments (including the Swingline Commitment), whereupon the Commitments shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, but ratably as among the Classes of Loans and the Loans of each Class at the time outstanding, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), whereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers and (iii) require cash collateral for the LC Exposure in accordance with Section 2.06(j) hereof; and in the case of any event with respect to any Obligor described in clause (h) or (i) of this Article, the Commitments (including the Swingline Commitment) shall automatically terminate and the principal of the Loans then outstanding and the cash collateral for the LC Exposure, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and at the request of the Required Lenders shall, increase the rate of interest applicable to the Loans and other Obligations as set forth in this Agreement and exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity, including all remedies provided under the UCC.

Section 7.02 EBITDA Equity Cure.

(a) Notwithstanding anything to the contrary in Section 7.01, but subject to the limitations set forth in clause (e) below, the Borrowers may cure (and shall be deemed to have cured) an Event of Default arising out of a breach of the financial covenant set forth in Section 6.12(a) (the "**Coverage Ratio Financial Covenant**") or Section 6.12(b) (the "**Leverage Financial Covenant**"), as applicable, if it receives the cash proceeds of EBITDA Curative Equity at any time during the period beginning on the first day of the fiscal quarter following the fiscal quarter with respect to which any such breach occurred or is anticipated to occur and ending 10 Business Days after the date on which the Compliance Certificate in respect of such fiscal quarter (which in the case of the fourth fiscal quarter shall be the Compliance Certificate for the fiscal year then ended) (such period the "**Equity Cure Period**"); provided that the amount of any EBITDA Curative Equity will be used solely to increase EBITDA (i) subject to the limitations set forth in clause (e) below and (ii) for the applicable period(s) solely for purposes of testing compliance with the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, and not for any other purposes under this Agreement or any other Loan Document, including any pro forma calculation of the covenants set forth in Section 6.12(a) or Section 6.12 (b) under the definition of Payment Conditions. For the avoidance of doubt, the Borrowers will not be permitted to request a Borrowing or the issuance of a Letter of Credit during any Equity Cure Period for which the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) has received EBITDA Curative Equity proceeds until the initial Compliance Certificate or the updated version of the Compliance Certificate is delivered by the Borrowers to the Administrative Agent in accordance with Section 5.01(c) or Section 7.02(c), as applicable, with respect to the fiscal quarter for which such EBITDA Curative Equity proceeds apply, confirming that no breach of the Coverage Ratio

Financial Covenant or the Leverage Financial Covenant occurred, or that the breach or anticipated breach of the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, has been deemed cured.

(b) Any EBITDA Curative Equity shall be in immediately available funds and, subject to the limitations set forth in clause (e) below, shall be in an amount that is sufficient or expected to be sufficient to cause the Borrowers to be in compliance with the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, as of the last day of the most recently ended fiscal quarter calculated for such purpose as if such amount of EBITDA Curative Equity were additional EBITDA as of such date.

(c) An updated version of the Compliance Certificate in respect of the fiscal quarter end for which the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) has received EBITDA Curative Equity proceeds shall be delivered by the Borrowers to the Administrative Agent prior to the end of the applicable Equity Cure Period and shall (i) include evidence of the Kodiak Borrower's (or, after a Successful IPO, Kodiak Corp's) receipt of EBITDA Curative Equity proceeds, and (ii) set forth a calculation of the financial results and balance sheet of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries as of such fiscal quarter end (including for such purposes the proceeds of such EBITDA Curative Equity (broken out separately) as, subject to clause (e), deemed EBITDA as if received on such date), which shall confirm that on a pro forma basis after taking into account the receipt of the EBITDA Curative Equity proceeds of the amount specified therein, the Borrowers would have been in compliance with the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, as of such date. With respect to any election by the Borrowers pursuant to clause (e)(B) of this Section 7.02 to include 25% of the amount of EBITDA Curative Equity received by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) in its calculation of the financial results and balance sheet of the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) and its Subsidiaries for the fiscal quarter immediately following the fiscal quarter with respect to which any such breach occurred or is anticipated to occur as set forth in the Cure Notice for such EBITDA Curative Equity, the Borrowers shall be permitted to include such portion of the EBITDA Curative Equity (including for such purposes the permitted portion of such proceeds of such EBITDA Curative Equity (broken out separately) as, subject to clause (e) of this Section 7.02, deemed EBITDA as if received on such date) in the Compliance Certificate for such fiscal quarter when delivered.

(d) Upon delivery by the Borrowers to the Administrative Agent of an updated version of the Compliance Certificate with respect to the fiscal quarter for which EBITDA Curative Equity proceeds have been received conforming to the requirements of this Section 7.02, any Event of Default that is continuing from a breach of the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, shall be deemed cured with no further action required by the Administrative Agent and the Lenders. In the event the Borrowers do not cure the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, violations as provided in this Section 7.02, the Events of Default arising therefrom shall continue unless waived by the applicable Lenders in writing.

(e) Notwithstanding the foregoing, in connection with each exercise of the Borrowers' rights under this Section 7.02, (A) the Kodiak Borrower (or, after a Successful IPO,

Kodiak Corp) shall be credited with EBITDA in an amount equal to 50% of the amount of EBITDA Curative Equity received by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) in connection with such exercise for the fiscal quarter with respect to which any such breach occurred or is anticipated to occur as set forth in the Cure Notice for such EBITDA Curative Equity (each such fiscal quarter being a “Specified Fiscal Quarter”) and (B) in addition to any amounts credited with respect to any Specified Fiscal Quarter pursuant to clause (A) above, the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) may, at the Kodiak Borrower’s (or, after a Successful IPO, Kodiak Corp’s) election, be credited with EBITDA for the fiscal quarter immediately following a Specified Fiscal Quarter in an amount equal to 25% of the amount of EBITDA Curative Equity received by the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) in connection with the corresponding preceding Specified Fiscal Quarter; provided that, in each case, (i) the Kodiak Borrower and Kodiak Corp may not, collectively, designate equity contributions received by it to be EBITDA Curative Equity pursuant to a Cure Notice more than five times in the aggregate prior to the Maturity Date, and (ii) with respect to any four consecutive fiscal quarters, there shall be at least two fiscal quarters in respect of which no EBITDA Curative Equity is received by the Kodiak Borrower or Kodiak Corp (it being agreed that and for the avoidance of doubt, the application of any credit equal to 25% of the amount of an EBITDA Curative Equity in accordance with clause (B) above shall not be treated as an additional receipt of EBITDA Curative Equity for purposes of the limitations set forth in clauses (i) and (ii) above). To the extent that EBITDA Curative Equity is received and included in the calculation of the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, as deemed EBITDA for any fiscal quarter pursuant to this Section 7.02, such EBITDA Curative Equity, subject to, and consistent with, the limitations set forth in the preceding sentence, shall be deemed to be EBITDA for purposes of determining compliance with the Coverage Ratio Financial Covenant or the Leverage Financial Covenant, as applicable, and not for purposes of any other calculation of EBITDA for subsequent periods that include such fiscal quarter. For the avoidance of doubt, if the Kodiak Borrower (or, after a Successful IPO, Kodiak Corp) utilizes EBITDA Curative Equity proceeds to cure both the Coverage Ratio Financial Covenant and the Leverage Financial Covenant in one fiscal quarter, such occurrence will count as one financial covenant test date for purposes of this clause (e).

(f) Upon the Administrative Agent’s receipt of a Cure Notice, until the end of the applicable Equity Cure Period, neither the Administrative Agent nor any Lender shall exercise the right to accelerate the Loans or terminate the Commitments and none of Administrative Agent, any Lender or any Secured Party shall exercise any right to foreclose on or take possession of the Collateral or exercise any other remedy pursuant to Section 7.01, the other Loan Documents or applicable law prior to the end of the applicable Equity Cure Period solely on the basis of an Event of Default having occurred and continuing under Section 6.12(a) or Section 6.12(b) in respect of the fiscal quarter for which the Cure Notice was delivered.

ARTICLE VIII  
The Administrative Agent

Section 8.01 Appointment . (a) Each of the Lenders, on behalf of itself and any of its Affiliates that are Secured Parties, and each of the Issuing Banks hereby irrevocably appoints the entity named as Administrative Agent in the heading of this Agreement and its successors and assigns to serve as the administrative agent and collateral agent under the Loan Documents and

each Lender and each Issuing Bank authorizes the Administrative Agent to take such actions as agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Administrative Agent under such agreements and to exercise such powers as are reasonably incidental thereto. In addition, to the extent required under the laws of any jurisdiction other than within the United States, each Lender and each Issuing Bank hereby grants to the Administrative Agent any required powers of attorney to execute and enforce any Collateral Document governed by the laws of such jurisdiction on such Lender's or such Issuing Bank's behalf. Without limiting the foregoing, each Lender and each Issuing Bank hereby authorizes the Administrative Agent to execute and deliver, and to perform its obligations under, each of the Loan Documents to which the Administrative Agent is a party, and to exercise all rights, powers and remedies that the Administrative Agent may have under such Loan Documents.

(b) As to any matters not expressly provided for herein and in the other Loan Documents (including enforcement or collection), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, pursuant to the terms in the Loan Documents), and, unless and until revoked in writing, such instructions shall be binding upon each Lender and each Issuing Bank; provided, however, that the Administrative Agent shall not be required to take any action that (i) the Administrative Agent in good faith believes exposes it to liability unless the Administrative Agent receives an indemnification and is exculpated in a manner satisfactory to it from the Lenders and the Issuing Banks with respect to such action or (ii) is contrary to this Agreement or any other Loan Document or applicable law, including any action that may be in violation of the automatic stay under any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors; provided, further, that the Administrative Agent may seek clarification or direction from the Required Lenders prior to the exercise of any such instructed action and may refrain from acting until such clarification or direction has been provided. Except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Borrower, any other Obligor, any Subsidiary or any Affiliate of any of the foregoing that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity. Nothing in this Agreement shall require the Administrative Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(c) In performing its functions and duties hereunder and under the other Loan Documents, the Administrative Agent is acting solely on behalf of the Lenders and the Issuing Banks (except in limited circumstances expressly provided for herein relating to the maintenance of the Register), and its duties are entirely mechanical and administrative in nature. Without limiting the generality of the foregoing:

(i) the Administrative Agent does not assume and shall not be deemed to have assumed any obligation or duty or any other relationship as the agent, fiduciary or trustee

of or for any Lender, Issuing Bank or Secured Party or holder of any other obligation other than as expressly set forth herein and in the other Loan Documents, regardless of whether a Default or an Event of Default has occurred and is continuing (and it is understood and agreed that the use of the term “agent” (or any similar term) herein or in any other Loan Document with reference to the Administrative Agent is not intended to connote any fiduciary duty or other implied (or express) obligations arising under agency doctrine of any applicable law, and that such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties); additionally, each Lender agrees that it will not assert any claim against the Administrative Agent based on an alleged breach of fiduciary duty by the Administrative Agent in connection with this Agreement and the transactions contemplated hereby; and

(ii) nothing in this Agreement or any Loan Document shall require the Administrative Agent to account to any Lender for any sum or the profit element of any sum received by the Administrative Agent for its own account.

(d) The Administrative Agent may perform any of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any of their respective duties and exercise their respective rights and powers through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities pursuant to this Agreement. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

(e) None of the Lenders (or Affiliates thereof) identified in this Agreement, or hereafter appointed by the Administrative Agent, as “Documentation Agents”, “Lead Left Lead Arranger”, “Joint Lead Arranger”, “Joint Bookrunner”, “Syndication Agent” or other similar titles shall have obligations or duties whatsoever in such capacity under this Agreement or any other Loan Document and shall incur no liability hereunder or thereunder in such capacity, but all such persons shall have the benefit of the indemnities provided for hereunder.

(f) In case of the pendency of any proceeding with respect to any Obligor under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, the Administrative Agent (irrespective of whether the principal of any Loan or any reimbursement obligation in respect of any LC Disbursement shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, LC Disbursements and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Administrative Agent (including any claim under Sections 2.12, 2.13, 2.15, 2.17 and 9.03) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender, each Issuing Bank and each other Secured Party to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, the Issuing Banks or the other Secured Parties, to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 9.03). Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any Issuing Bank or to authorize the Administrative Agent to vote in respect of the claim of any Lender or any Issuing Bank in any such proceeding.

The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Banks, and, except solely to the extent of the Borrowers' right to consent pursuant to and subject to the conditions set forth in this Article, no Borrower nor any subsidiary of a Borrower, or any of their respective Affiliates, shall have any rights as a third party beneficiary under any such provisions. Each Secured Party, whether or not a party hereto, will be deemed, by its acceptance of the benefits of the Collateral and of the Guarantees of the Secured Obligations provided under the Loan Documents, to have agreed to the provisions of this Article.

Section 8.02 Administrative Agent's Reliance, Indemnification, Etc.

(a) Neither the Administrative Agent nor any of its Related Parties shall be (i) liable for any action taken or omitted to be taken by it under or in connection with this Agreement or the other Loan Documents (x) with the consent of or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in the Loan Documents) or (y) in the absence of its own gross negligence or willful misconduct (such absence to be presumed unless otherwise determined by a court of competent jurisdiction by a final and nonappealable judgment) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Obligor or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document (including, for the avoidance of doubt, in connection with the Administrative Agent's reliance on any Electronic Signature transmitted by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page) or for any failure of any Obligor to perform its obligations hereunder or thereunder.



(b) The Administrative Agent shall be deemed not to have knowledge of any (i) notice of any of the events or circumstances set forth or described in Section 5.02 unless and until written notice thereof stating that it is a “notice under Section 5.02” in respect of this Agreement and identifying the specific clause under said Section is given to the Administrative Agent by the Borrower Representative, or (ii) notice of any Default or Event of Default unless and until written notice thereof (stating that it is a “notice of Default” or a “notice of an Event of Default”) is given to the Administrative Agent by the Borrower Representative, a Lender or an Issuing Bank; provided that, for the avoidance of doubt, the Borrower Representative shall not be deemed to have breached its obligations under Section 5.02 so long as it delivers any notice required under such Section in accordance with the requirements set forth in Section 5.02 and Section 9.01. Further, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default or Event of Default, (iv) the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items (which on their face purport to be such items) expressly required to be delivered to the Administrative Agent or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to the Administrative Agent, or (vi) the creation, perfection or priority of Liens on the Collateral.

(c) Without limiting the foregoing, the Administrative Agent (i) may treat the payee of any promissory note as its holder until such promissory note has been assigned in accordance with Section 9.04, (ii) may rely on the Register to the extent set forth in Section 9.04(c), (iii) may consult with legal counsel (including counsel to the Borrowers), independent public accountants and other experts selected by it, and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (iv) makes no warranty or representation to any Lender or any Issuing Bank and shall not be responsible to any Lender or any Issuing Bank for any statements, warranties or representations made by or on behalf of any Obligor in connection with this Agreement or any other Loan Document, (v) in determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Bank, may presume that such condition is satisfactory to such Lender or Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Lender or Issuing Bank sufficiently in advance of the making of such Loan or the issuance of such Letter of Credit and (vi) shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any notice, consent, certificate or other instrument or writing (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated by the proper party or parties (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

(d) Notwithstanding anything to the contrary in this Agreement, the Administrative Agent shall not be responsible or have any liability for, or have any duty to

ascertain, inquire into, monitor or enforce, compliance with the provisions of this Agreement relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information in accordance with Section 9.12, to any Disqualified Institution. Each Lender represents and warrants to the parties hereto that at the time it becomes a Lender, it is not a Disqualified Institution.

Section 8.03 Posting of Communications.

(a) The Borrowers agree that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders and the Issuing Banks by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic system chosen by the Administrative Agent to be its electronic transmission system (the “Approved Electronic Platform”).

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders, the Issuing Banks and each Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there are confidentiality and other risks associated with such distribution. Each of the Lenders, the Issuing Banks and each Borrower hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED “AS IS” AND “AS AVAILABLE”. THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, THE LEAD LEFT LEAD ARRANGER, ANY JOINT LEAD ARRANGER, ANY DOCUMENTATION AGENT, ANY SYNDICATION AGENT OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, “APPLICABLE PARTIES”) HAVE ANY LIABILITY TO ANY OBLIGOR, ANY LENDER, ANY ISSUING BANK OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR

INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY OBLIGOR'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

“Communications” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Obligor pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent, any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(d) Each Lender and Issuing Bank agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender and Issuing Bank agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's or Issuing Bank's (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders, the Issuing Banks and each Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent, any Lender or any Issuing Bank to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

Section 8.04 The Administrative Agent Individually. With respect to its Commitment, Loans and Letters of Credit, the Person serving as the Administrative Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender or Issuing Bank, as the case may be. The terms “Issuing Banks”, “Lenders”, “Required Lenders” and any similar terms shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity as a Lender, Issuing Bank or as one of the Required Lenders, as applicable. The Person serving as the Administrative Agent and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust or other business with, any Obligor, any subsidiary of an Obligor or any Affiliate of any of the foregoing as if such Person was not acting as the Administrative Agent and without any duty to account therefor to the Lenders or the Issuing Banks.

Section 8.05 Successor Administrative Agent.

(a) The Administrative Agent may resign at any time by giving 30 days' prior written notice thereof to the Lenders, the Issuing Banks and the Borrower Representative, whether or not a successor Administrative Agent has been appointed. Upon any such resignation, the

Required Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent, which shall be a bank with an office in New York, New York or an Affiliate of any such bank. In either case, such appointment shall be subject to the prior written approval of the Borrower Representative (which approval may not be unreasonably withheld and shall not be required while an Event of Default has occurred and is continuing). Upon the acceptance of any appointment as Administrative Agent by a successor Administrative Agent, such successor Administrative Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Administrative Agent. Upon the acceptance of appointment as Administrative Agent by a successor Administrative Agent, the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Loan Documents. Prior to any retiring Administrative Agent's resignation hereunder as Administrative Agent, the retiring Administrative Agent shall take such action as may be reasonably necessary to assign to the successor Administrative Agent its rights as Administrative Agent under the Loan Documents.

(b) Notwithstanding paragraph (a) of this Section, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders, the Issuing Banks and the Borrowers, whereupon, on the date of effectiveness of such resignation stated in such notice, (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents; provided that, solely for purposes of maintaining any security interest granted to the Administrative Agent under any Collateral Document for the benefit of the Secured Parties, the retiring Administrative Agent shall continue to be vested with such security interest as collateral agent for the benefit of the Secured Parties, and continue to be entitled to the rights set forth in such Collateral Document and Loan Document, and, in the case of any Collateral in the possession of the Administrative Agent, shall continue to hold such Collateral, in each case until such time as a successor Administrative Agent is appointed and accepts such appointment in accordance with this Section (it being understood and agreed that the retiring Administrative Agent shall have no duty or obligation to take any further action under any Collateral Document, including any action required to maintain the perfection of any such security interest), and (ii) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided that (A) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (B) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall directly be given or made to each Lender and each Issuing Bank. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this Article, Sections 2.17(d) and 9.03, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent and in respect of the matters referred to in the proviso under paragraph (a) above.

Section 8.06 Acknowledgements of Lenders and Issuing Bank.

(a) Each Lender represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility, (ii) it is engaged in making, acquiring or holding commercial loans and in providing other facilities set forth herein as may be applicable to such Lender in the ordinary course of business and not for the purpose of purchasing, acquiring or holding any other type of financial instrument (and each Lender agrees not to assert a claim in contravention of the foregoing), (iii) it has, independently and without reliance upon the Administrative Agent, the Lead Left Lead Arranger, any Joint Lead Arranger, any Co-Syndication Agent, any Co-Documentation Agent or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder and (iv) it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Lead Left Lead Arranger, any Joint Lead Arranger, any Co-Syndication Agent, any Co-Documentation Agent or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrowers and their Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

(b) Each Lender, by delivering its signature page to this Agreement on the Effective Date, or delivering its signature page to an Assignment and Assumption or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent or the Lenders on the Effective Date or the effective date of any such Assignment and Assumption or any other Loan Document pursuant to which it shall have become a Lender hereunder.

(c) Each Lender hereby agrees that (i) it has requested a copy of each Report prepared by or on behalf of the Administrative Agent; (ii) the Administrative Agent (A) makes no representation or warranty, express or implied, as to the completeness or accuracy of any Report or any of the information contained therein or any inaccuracy or omission contained in or relating to a Report and (B) shall not be liable for any information contained in any Report; (iii) the Reports are not comprehensive audits or examinations, and that any Person performing any field examination will inspect only specific information regarding the Loan Parties and will rely significantly upon the Loan Parties' books and records, as well as on representations of the Loan Parties' personnel and that the Administrative Agent undertakes no obligation to update, correct or supplement the Reports; (iv) it will keep all Reports confidential and strictly for its internal use, not share the Report with any Loan Party or any other Person except as otherwise permitted pursuant to this Agreement; and (v) without limiting the generality of any other indemnification

provision contained in this Agreement, (A) it will hold the Administrative Agent and any such other Person preparing a Report harmless from any action the indemnifying Lender may take or conclusion the indemnifying Lender may reach or draw from any Report in connection with any extension of credit that the indemnifying Lender has made or may make to a Borrower, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a Loan or Loans; and (B) it will pay and protect, and indemnify, defend, and hold the Administrative Agent and any such other Person preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including reasonable attorneys' fees) incurred by the Administrative Agent or any such other Person as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

(d) (i) Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "**Payment**") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender under this Section 8.06(d) shall be conclusive, absent manifest error.

(ii) Each Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "**Payment Notice**") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(iii) Each Borrower, each other Obligor and each Lender hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by any Borrower or any other Obligor, except, in each case, to the extent such erroneous Payment (or any portion thereof) is, and solely with respect to the amount of such erroneous Payment that is, comprised of funds of an Obligor for the purpose of making a payment to satisfy any Obligations and is not otherwise repaid or returned to an Obligor by the Administrative Agent, any Lender or any of their respective Affiliates, whether pursuant to a legal proceeding or otherwise.

(iv) Each party's obligations under this Section 8.06(d) shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

#### Section 8.07 Collateral Matters.

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.08 or with respect to a Secured Party's right to file a proof of claim in an insolvency proceeding, no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Secured Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms thereof. In its capacity, the Administrative Agent is a "representative" of the Secured Parties within the meaning of the term "secured party" as defined in the UCC. In the event that any Collateral is hereafter pledged by any Person as collateral security for the Secured Obligations, the Administrative Agent is hereby authorized, and hereby granted a power of attorney, to execute and deliver on behalf of the Secured Parties any Loan Documents necessary or appropriate to grant and perfect a Lien on such Collateral in favor of the Administrative Agent on behalf of the Secured Parties.

(b) In furtherance of the foregoing and not in limitation thereof, no arrangements in respect of Banking Services the obligations under which constitute Secured Obligations and no Swap Agreement the obligations under which constitute Secured Obligations, will create (or be deemed to create) in favor of any Secured Party that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Obligor under any Loan Document. By accepting the benefits of the Collateral, each Secured Party that is a party to any such arrangement in respect of Banking Services or Swap Agreement, as applicable, shall be deemed to have appointed the Administrative Agent to serve as administrative agent and collateral agent under the Loan Documents and agreed to be bound by the Loan Documents as a Secured Party thereunder, subject to the limitations set forth in this paragraph.

(c) The Secured Parties irrevocably authorize the Administrative Agent, at its option and in its discretion, to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Sections 6.02(d) and 6.02(i). The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the

existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon or any certificate prepared by any Obligor in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders or any other Secured Party for any failure to monitor or maintain any portion of the Collateral.

Section 8.08 Credit Bidding. The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Secured Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which an Obligor is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Required Lenders on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Secured Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 9.02 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Secured Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Secured Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Secured Obligations assigned to the acquisition vehicle exceeds the amount of Secured Obligations credit bid by the acquisition vehicle or otherwise), such Secured Obligations shall automatically be reassigned to the Secured Parties pro rata with their original interest in such Secured Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Secured



Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Secured Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

Section 8.09 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Lead Left Lead Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Obligor, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender, subject to the consent of the Borrower Representative (which consent shall not be unreasonably withheld, conditioned or delayed).

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Lead Left Lead Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of any Borrower or any other Obligor, that the Administrative Agent and the Lead Arranger are not fiduciaries with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent or the Lead Left Lead Arranger under this Agreement, any Loan Document or any documents related hereto or thereto).

ARTICLE IX  
Miscellaneous

Section 9.01 Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone or Electronic Systems (and subject in each case to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile, as follows:

- (i) if to any Obligor, to the Borrower Representative at:

Kodiak Gas Services, LLC  
Attn: Legal Department  
15320 Hwy 105W, Suite 210  
Montgomery, TX 77356  
Phone No: (936)539-3300  
Email: Legal@kodiakgas.com  
ewan.hamilton@kodiakgas.com  
jason.stewart@kodiakgas.com  
john.griggs@kodiakgas.com

- (ii) if to the Administrative Agent, JPMCB in its capacity as an Issuing Bank or the Swingline Lender, to JPMorgan Chase Bank,

N.A. at:

JPMorgan Chase Bank, N.A.  
131 S Dearborn St, Floor 04  
Chicago, IL 60603-5506  
Attention: Loan and Agency Servicing  
Email: jpm.agency.cri@jpmorgan.com

Agency Withholding Tax Inquiries:  
Email: agency.tax.reporting@jpmorgan.com

Agency Compliance/Financials/Intralinks:  
Email: covenant.compliance@jpmchase.com

with a copy (which shall not constitute notice) to:

Vinson & Elkins LLP  
2001 Ross Avenue, Suite 3900  
Dallas, Texas 75201  
Attention: Erec Winandy  
Facsimile No: 214.999.7756  
Email: ewinandy@velaw.com

; provided that any DQ List or any updates thereto on or after the Effective Date must be sent via electronic mail to JPMDQ\_Contact@jpmorgan.com to be deemed received by the Administrative Agent.

(iii) if to any other Lender or an Issuing Bank, to it at its address or facsimile number set forth in its Administrative Questionnaire.

All such notices and other communications (i) sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received, (ii) sent by facsimile shall be deemed to have been given when sent, provided that if not given during normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day of the recipient, or (iii) delivered through Electronic Systems or Approved Electronic Platforms, as applicable, to the extent provided in paragraph (b) below shall be effective as provided in such paragraph.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by using Electronic Systems or Approved Electronic Platforms, as applicable, or pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II or to Compliance Certificates delivered pursuant to Section 5.01(c) unless otherwise agreed by the Administrative Agent and the applicable Lender. Each of the Administrative Agent and the Borrower Representative (on behalf of the Obligors) may, in its discretion, agree to accept notices and other communications to it hereunder by Electronic Systems or Approved Electronic Platforms, as applicable, pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise proscribes, all such notices and other communications (i) sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address

therefor; provided that, for both clauses (i) and (ii) above, if such notice, e-mail or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day of the recipient.

(c) Any party hereto may change its address, facsimile number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

Section 9.02 Waivers; Amendments.

(a) No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder and under any other Loan Document are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Obligor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Except as provided in the first sentence of Section 2.09(f) (with respect to any commitment increase) and subject to Section 2.14(c), (d) and (e) and Section 9.02(c) below, neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except (i) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders or (ii) in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Obligor or Obligors that are parties thereto, with the consent of the Required Lenders; provided that no such agreement shall (A) increase the Commitment of any Lender without the written consent of such Lender (including any such Lender that is a Defaulting Lender), (B) reduce or forgive the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce or forgive any interest or fees payable hereunder, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby (provided that any amendment or modification of the financial covenants in this Agreement (or any defined term used therein) shall not constitute a reduction in the rate of interest or fees for purposes of this clause (B)), (C) postpone any scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any date for the payment of any interest, fees or other Obligations payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby, (D) change Section 2.09(d), Section 2.18(b) or (d) in a manner that would alter the ratable reduction of Commitments or the manner in which payments are shared, without the written consent of each Lender (including any such Lender that is a Defaulting Lender), (E) increase the advance rates set

forth in the definition of Borrowing Base or add new categories of eligible assets, without the written consent of each Lender (other than any Defaulting Lender), (F) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby, (G) change Section 2.20, without the consent of each Lender (other than any Defaulting Lender), (H) release any Loan Guarantor from its obligation under its Loan Guaranty (except as otherwise permitted herein or in the other Loan Documents), without the written consent of each Lender (other than any Defaulting Lender), (I) (A) subordinate any of the Secured Obligations owed to the Lenders in right of payment or otherwise adversely affect the contractual priority of payment of any of such Secured Obligations or (B) subordinate any of the Liens securing the Secured Obligations owed to the Lenders (except as otherwise set forth in Section 8.07(c) or in connection with a debtor-in-possession financing), in each case, without the written consent of each Lender, or (J) except as provided in clause (c) of this Section or in any Collateral Document, release all or substantially all of the Collateral, without the written consent of each Lender (other than any Defaulting Lender); provided that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Issuing Banks or the Swingline Lender hereunder without the prior written consent of the Administrative Agent, the Issuing Banks or the Swingline Lender, as the case may be (it being understood that any change to Section 2.20 shall require the consent of the Administrative Agent, the Issuing Banks and the Swingline Lender); provided further that that no such agreement shall amend or modify the provisions of Section 2.06 or any letter of credit application and any bilateral agreement between the Borrower Representative and the applicable Issuing Bank regarding such Issuing Bank's Issuing Bank Sublimit or the respective rights and obligations between the Borrower Representative and such Issuing Bank in connection with the issuance of Letters of Credit without the prior written consent of the Administrative Agent and such Issuing Bank, respectively. The Administrative Agent may also amend the Commitment Schedule to reflect assignments entered into pursuant to Section 9.04. Any amendment, waiver or other modification of this Agreement or any other Loan Document that by its terms affects the rights or duties under this Agreement of the Lenders of one or more Classes (but not the Lenders of any other Class), may be effected by an agreement or agreements in writing entered into by the Borrowers and the requisite number or percentage in interest of each affected Class of Lenders that would be required to consent thereto under this Section if such Class of Lenders were the only Class of Lenders hereunder at the time.

(c) The Lenders and the Issuing Banks hereby irrevocably authorize the Administrative Agent, at its option and in its sole discretion, to release any Liens granted to the Administrative Agent by the Obligors on any Collateral (i) upon the Payment in Full of all Secured Obligations, and the cash collateralization of all Unliquidated Obligations in a manner satisfactory to each affected Lender, (ii) constituting property being sold or disposed of if the Obligor disposing of such property certifies to the Administrative Agent that the sale or disposition is made in compliance with the terms of this Agreement (and the Administrative Agent may rely conclusively on any such certificate, without further inquiry), and to the extent that the property being sold or disposed of constitutes 100% of the Equity Interests of a Subsidiary, the Administrative Agent is authorized to release any Loan Guaranty provided by such Subsidiary, (iii) constituting property leased to an Obligor under a lease which has expired or been terminated in a transaction permitted under this Agreement, or (iv) as required to effect any sale or other disposition of such Collateral in

connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article VII. Except as provided in the preceding sentence, the Administrative Agent will not release any Liens on Collateral without the prior written authorization of the Required Lenders; provided that, the Administrative Agent may in its discretion, release its Liens on Collateral valued in the aggregate not in excess of \$5,000,000 during any calendar year without the prior written authorization of the Required Lenders (it being agreed that the Administrative Agent may rely conclusively on one or more certificates of the Borrowers as to the value of any Collateral to be so released, without further inquiry). Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations of the Obligor in respect of) all interests retained by the Obligor, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral. Any execution and delivery by the Administrative Agent of documents in connection with any such release shall be without recourse to or warranty by the Administrative Agent.

(d) If, in connection with any proposed amendment, waiver or consent requiring the consent of “each Lender” or “each Lender affected thereby,” the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but not obtained being referred to herein as a “**Non-Consenting Lender**”), then the Borrowers may elect to replace a Non-Consenting Lender as a Lender party to this Agreement, provided that, concurrently with such replacement, (i) another bank or other entity which is reasonably satisfactory to the Borrowers, the Administrative Agent and the Issuing Banks shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption and to become a Lender for all purposes under this Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date and to comply with the requirements of clause (b) of Section 9.04, and (ii) the Borrowers shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (1) all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by the Borrowers hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Section 2.15 and Section 2.17, and (2) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 2.16 had the Loans of such Non-Consenting Lender been prepaid on such date rather than sold to the replacement Lender. Each party hereto agrees that an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Borrower Representative, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

(e) Notwithstanding anything to the contrary herein the Administrative Agent may, with the consent of the Borrower Representative only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency, in each case that is not material.

Section 9.03 Expenses; Indemnity; Damage Waiver: (a) The Obligors, jointly and severally, shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication and distribution (including, without limitation, via the internet or through any Electronic System or Approved Electronic Platform) of the credit facilities provided for herein, the preparation and administration of the Loan Documents or any amendments, modifications or waivers of the provisions of the Loan Documents (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by any Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Issuing Bank or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent, any Issuing Bank or any Lender, in connection with the enforcement, collection or protection of its rights in connection with the Loan Documents, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. Expenses being reimbursed by the Obligors under this Section include, without limiting the generality of the foregoing, fees, costs and expenses incurred in connection with:

(iv) appraisals and insurance reviews;

(v) field examinations and the preparation of Reports based on the fees charged by a third party retained by the Administrative Agent or the internally allocated fees for each Person employed by the Administrative Agent with respect to each field examination;

(vi) background checks regarding senior management and/or key investors, as deemed necessary or appropriate in the sole discretion of the Administrative Agent;

(vii) Taxes, fees and other charges for (A) lien and title searches and title insurance and (B) filing financing statements and continuations, and other actions to perfect, protect, and continue the Administrative Agent's Liens;

(viii) sums paid or incurred to take any action required of any Obligor under the Loan Documents that such Obligor fails to pay or take; and

(ix) forwarding loan proceeds, collecting checks and other items of payment, and establishing and maintaining the accounts and lock boxes, and costs and expenses of preserving and protecting the Collateral.

All of the foregoing fees, costs and expenses may be charged to the Borrowers as Revolving Loans or to another deposit account, all as described in Section 2.18(c).

(b) The Obligors shall, jointly and severally, indemnify the Administrative Agent, the Lead Left Lead Arranger, each Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all Liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against

any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of the Loan Documents or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the applicable Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by an Obligor or a Subsidiary, or any Environmental Liability related in any way to an Obligor or a Subsidiary, (iv) the failure of an Obligor to deliver to the Administrative Agent the required receipts or other required documentary evidence with respect to a payment made by an Obligor for Taxes pursuant to Section 2.17, or (v) any actual or prospective claim, litigation, investigation, arbitration or proceeding relating to any of the foregoing, whether or not such claim, litigation, investigation, arbitration or proceeding is brought by any Obligor or their respective equity holders, Affiliates, creditors or any other third Person and whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such Liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. WITHOUT LIMITATION OF THE FOREGOING, IT IS THE INTENTION OF EACH BORROWER AND EACH BORROWER AGREES THAT THE FOREGOING INDEMNITIES SHALL APPLY TO EACH INDEMNITEE WITH RESPECT TO LOSSES, CLAIMS, DAMAGES, PENALTIES, LIABILITIES AND RELATED EXPENSES (INCLUDING, WITHOUT LIMITATION, ALL EXPENSES OF LITIGATION OR PREPARATION THEREFOR), WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF THE NEGLIGENCE OF SUCH (AND/OR ANY OTHER) INDEMNITEE. This Section 9.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses or damages arising from any non-Tax claim.

(c) Each Lender severally agrees to pay any amount required to be paid by any Obligor under paragraph (a) or (b) of this Section 9.03 to the Administrative Agent, each Issuing Bank and the Swingline Lender, and each Related Party of any of the foregoing Persons (each, an "Agent Indemnitee") (to the extent not reimbursed by an Obligor and without limiting the obligation of any Obligor to do so), ratably according to their respective Applicable Percentage in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Applicable Percentage immediately prior to such date), and agrees to indemnify and hold harmless from and against any and all Liabilities and related expenses, including the fees, charges and disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent Indemnitee in any way relating to or arising out of the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent Indemnitee under or in connection with any of the foregoing; provided that the unreimbursed expense or Liability or related expense, as the case may be, was incurred by or asserted against such Agent Indemnitee in its capacity as such; provided, further, that no Lender shall be liable for the payment of any portion of such Liabilities, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent Indemnitee's gross negligence or willful misconduct. The agreements in this Section 9.03 shall survive the termination of this Agreement and the Payment in Full of the Secured Obligations.



(d) To the extent permitted by applicable law, no party hereto shall assert, and each such party hereby waives, any Liabilities against any other party hereto (i) for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet) unless violative of the confidentiality provisions of Section 9.12 or (ii) on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; provided that, nothing in this paragraph (d) shall relieve any Obligor of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(e) All amounts due under this Section shall be payable not later than ten (10) days after written demand therefor.

Section 9.04 Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (d) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution, it being understood that any Disqualified Institution is subject to Section 9.04(g)) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment, participations in Letters of Credit and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(A) the Borrower Representative, provided that the Borrower Representative shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof, and provided further that no consent of the Borrower Representative shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee properly assigned an interest hereunder;

(B) the Administrative Agent;

(C) the Issuing Banks; and

(D) the Swingline Lender.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower Representative and the Administrative Agent otherwise consent, provided that no such consent of the Borrower Representative shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of \$3,500; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrowers, the other Obligor and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including federal and state securities laws.

For the purposes of this Section 9.04(b), the terms "**Approved Fund**" and "**Ineligible Institution**" have the following meanings:

"**Approved Fund**" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"**Ineligible Institution**" means a (a) natural person, (b) Defaulting Lender or its Parent, (c) Disqualified Institution, provided that the Administrative Agent shall have the right, and the Borrowers hereby expressly authorize the Administrative Agent, to (i) post the list of Disqualified Institutions provided by the Borrowers and any updates thereto from time to time (collectively, the "**DQ List**") on the Approved Electronic Platform, including that portion of the Approved Electronic Platform that is designated for "public side" Lenders, as applicable and/or (ii) provide

such list and such updates thereto to each Lender requesting the same, (d) holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof; provided that, such holding company, investment vehicle or trust shall not constitute an Ineligible Institution if it (x) has not been established for the primary purpose of acquiring any Loans or Commitments, (y) is managed by a professional advisor, who is not such natural person or a relative thereof, having significant experience in the business of making or purchasing commercial loans, and (z) has assets greater than \$25,000,000 and a significant part of its activities consist of making or purchasing commercial loans and similar extensions of credit in the ordinary course of its business; provided that upon the occurrence and during the continuance of an Event of Default, any Person (other than a Lender) shall be an Ineligible Institution if after giving effect to any proposed assignment to such Person, such Person would hold more than 25% of the then outstanding Aggregate Credit Exposure or Commitments, as the case may be or (e) an Obligor or a Subsidiary or other Affiliate of an Obligor.

(c) (i) Subject to acceptance and recording thereof pursuant to paragraph (c)(ii) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement including the obligation of confidentiality pursuant to Section 9.12 hereof, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.15, Section 2.16, Section 2.17 and Section 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (d) of this Section.

(ii) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Issuing Banks and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(iii) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record

the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.05, Section 2.06(d), Section 2.06(e), Section 2.07(b), Section 2.18(d) or Section 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) Any Lender may, without the consent of the Borrowers, the Administrative Agent, the Issuing Banks or the Swingline Lender, sell participations to one or more banks or other entities (a "**Participant**") other than an Ineligible Institution in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged; (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (iii) the Borrowers, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. The Borrowers agree that each Participant shall be entitled to the benefits of Section 2.15, Section 2.16 and Section 2.17 (subject to the requirements and limitations therein, including the requirements under Section 2.17(f) and Section 2.17(g) (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender and the information and documentation required under Section 2.17(g) will be delivered to the Borrowers and the Administrative Agent)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 2.18 and Section 2.19 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Section 2.15 or Section 2.17, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(e) Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 2.19(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.18(c) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement or any other Loan Document (the "**Participant Register**"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) to any

Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) (i) No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the **Trade Date**) on which the assigning Lender entered into a binding agreement to sell and assign or participate all or a portion of its rights and obligations under this Agreement to such Person (unless the Borrower Representative has consented to such assignment or participation in writing in its sole and absolute discretion, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation). For the avoidance of doubt, with respect to any assignee that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of "Disqualified Institution"), (x) such assignee shall not retroactively be disqualified from becoming a Lender and (y) the execution by the Borrower Representative of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment in violation of this clause (g)(i) shall not be void, but the other provisions of this clause (g) shall apply.

(ii) If any assignment or participation is made to any Disqualified Institution without the Borrower Representative's prior written consent in violation of clause (g)(i) above, the Borrowers may, at their sole expense and effort, upon notice to the applicable Disqualified Institution and the Administrative Agent, require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 9.04), all of its interest, rights and obligations under this Agreement to one or more Persons that meet the requirements to be an assignee under Section 9.04(b) (subject to such consents, if any, as may be required thereunder) at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder. Notwithstanding anything herein to the contrary, each party hereto agrees that an assignment required pursuant to this Section 9.04(g)(ii) may be effected pursuant to an Assignment and Assumption executed by the Borrower Representative, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and the applicable Disqualified Institution required to

make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Disqualified Institution, provided that any such documents shall be without recourse to or warranty by the parties thereto.

(iii) Notwithstanding anything to the contrary contained in this Agreement, (A) Disqualified Institutions will not (x) have the right to receive information, reports or other materials provided to Lenders by the Borrowers, the Administrative Agent or any other Lender (other than any disclosure of the DQ List made in accordance with Section 9.12(f)), (y) attend or participate in meetings attended by the Lenders and the Administrative Agent or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders; it being understood and agreed that the foregoing provisions shall only apply to a Disqualified Institution and not to any assignee of such Disqualified Institution that becomes a Lender so long as such assignee is not a Disqualified Institution and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter and (y) for purposes of voting on any plan of reorganization or plan of liquidation pursuant to any Debtor Relief Laws (a "Bankruptcy Plan"), each Disqualified Institution party hereto hereby agrees (1) not to vote on such Bankruptcy Plan, (2) if such Disqualified Institution does vote on such Bankruptcy Plan notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Bankruptcy Plan in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws) and (3) not to contest any request by any party for a determination by any applicable court of competent jurisdiction effectuating the foregoing clause (2).

Section 9.05 Survival. All covenants, agreements, representations and warranties made by the Obligors in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Section 2.15, Section 2.16, Section 2.17 and Section 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any other Loan Document or any provision hereof or thereof.

Section 9.06 Counterparts; Integration; Effectiveness; Electronic Execution. (a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to (i) fees payable to the Administrative Agent, including, without limitation, the Fee Letter, and (ii) increases or reductions of the Issuing Bank Sublimit of any Issuing Bank constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 9.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "**Ancillary Document**") that is an Electronic Signature transmitted by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of any Borrower or any other Obligor without further verification thereof and without any obligation to review the appearance or form of any such Electronic Signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, each Borrower and each Obligor hereby (A) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders, the Borrowers and the Obligors, Electronic Signatures transmitted by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same

legal effect, validity and enforceability as any paper original, (B) the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (C) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (D) waives any claim against the Administrative Agent, the Lead Left Lead Arranger, any Issuing Bank and any Lender (and any Related Party of any of the foregoing Persons) for any Liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of any Borrower and/or any Obligor to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature. THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Section 9.07 Severability. Any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 9.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each Issuing Bank and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender, such Issuing Bank or any such Affiliate to or for the credit or the account of any Obligor against any of and all the Secured Obligations held by such Lender, such Issuing Bank or their respective Affiliates, irrespective of whether or not such Lender, such Issuing Bank or their respective Affiliates shall have made any demand under the Loan Documents and although such obligations may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender or such Issuing Bank different from the branch office or Affiliate of such Lender or such Issuing Bank holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.20 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Banks, and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The applicable Lender, the applicable Issuing Bank or such Affiliate shall



notify the Borrower Representative and the Administrative Agent of such set-off or application, provided that any failure to give or any delay in giving such notice shall not affect the validity of any such set-off or application under this Section. The rights of each Lender, each Issuing Bank and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender, such Issuing Bank or their respective Affiliates may have.

Section 9.09 Governing Law; Jurisdiction; Consent to Service of Process. (a) The Loan Documents (other than those containing a contrary express choice of law provision) and any claim, controversy or dispute arising under or related to the Loan Documents, whether in tort, contract (at law or in equity) or any other theory, shall be governed by and construed and interpreted in accordance with the internal laws (and not the law of conflicts) of the State of New York, but giving effect to federal laws applicable to national banks.

(b) Each of the Lenders and the Administrative Agent hereby irrevocably and unconditionally agrees that, notwithstanding the governing law provisions of any applicable Loan Document, any claims brought against the Administrative Agent by any Secured Party relating to this Agreement, any other Loan Document, the Collateral or the consummation or administration of the transactions contemplated hereby or thereby shall be construed in accordance with and governed by the law of the State of New York.

(c) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any U.S. federal or New York state court sitting in the borough of Manhattan, in the City of New York (or any appellate court therefrom) in any action or proceeding arising out of or relating to any Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York state or, to the extent permitted by law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Obligor or its properties in the courts of any jurisdiction.

(d) Each Obligor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (c) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 9.10 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 9.12 Confidentiality. Each of the Administrative Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners) with notice to be given to any affected Obligor promptly thereafter to the extent such notice is permitted by such Governmental Authority, (c) to the extent required by any Requirement of Law or by any subpoena or similar legal process with notice to be given to any affected Obligor promptly thereafter to the extent such notice is permitted, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Obligors and their obligations (it being understood and agreed that the DQ List may be disclosed to any such actual or bona fide prospective assignee, Participant or counterparty in reliance on this clause (f)), (g) with the consent of the Borrower Representative, (h) to holders of Equity Interests in any Borrower, (i) to any Person providing a Guarantee of all or any portion of the Secured Obligations, (j) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis from a source other than the Borrowers, or (k) at any time after a Successful IPO, on a confidential basis to (1) any rating agency in connection with rating any Borrower or its Subsidiaries or the credit facilities provided for herein or (2) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of identification numbers with respect to the credit facilities provided for herein. For the purposes of this Section, "Information" means all information received from the Borrowers relating to the Borrowers or their business, other than any such

information that is available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis prior to disclosure by the Borrowers and other than information pertaining to this Agreement provided by arrangers to data service providers, including league table providers, that serve the lending industry; provided that, in the case of information received from the Borrowers after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Section 9.13 Several Obligations; Nonreliance; Violation of Law. The respective obligations of the Lenders hereunder are several and not joint and the failure of any Lender to make any Loan or perform any of its obligations hereunder shall not relieve any other Lender from any of its obligations hereunder. Each Lender hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U of the Federal Reserve Board) for the repayment of the Borrowings provided for herein. Anything contained in this Agreement to the contrary notwithstanding, none of the Issuing Banks or Lenders shall be obligated to extend credit to the Borrowers in violation of any Requirement of Law.

Section 9.14 USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act hereby notifies each Obligor that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA PATRIOT Act.

Section 9.15 Disclosure. Each Obligor and each Lender hereby acknowledges and agrees that the Administrative Agent and/or its Affiliates from time to time may hold investments in, make other loans to or have other relationships with any of the Obligors and their respective Affiliates.

Section 9.16 Appointment for Perfection. Each Lender hereby appoints each other Lender as its agent for the purpose of perfecting Liens, for the benefit of the Administrative Agent and the other Secured Parties, in assets which, in accordance with Article 9 of the UCC or any other applicable law can be perfected only by possession or control. Should any Lender (other than the Administrative Agent) obtain possession or control of any such Collateral, such Lender shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the Administrative Agent or otherwise deal with such Collateral in accordance with the Administrative Agent's instructions.

Section 9.17 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loans or Letters of Credit, together with all fees, charges and other amounts which are treated as interest on such Loans or Letters of Credit under applicable Requirements of Law (collectively the "**Charged Amounts**"), shall exceed the maximum lawful rate (the "**Maximum Rate**") which may be contracted for, charged, taken, received or reserved by the Lender or applicable Issuing Bank holding such Loan or Letter of Credit in accordance with applicable Requirements of Law, the rate of interest payable in respect of such Loan or Letter of Credit hereunder, together with all Charged Amounts payable in respect

thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charged Amounts that would have been payable in respect of such Loan or Letter of Credit but were not payable as a result of the operation of this Section 9.17 shall be cumulated and the interest and Charged Amounts payable to such Lender or such Issuing Bank in respect of other Loans or Letters of Credit shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the NYFRB Rate to the date of repayment, have been received by such Lender or such Issuing Bank.

Section 9.18 No Fiduciary Duty. Each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Credit Party will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to each Borrower with respect to the Loan Documents and the transactions contemplated herein and therein and not as a financial advisor or a fiduciary to, or an agent of, any Borrower or any other person. Each Borrower agrees that it will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, each Borrower acknowledges and agrees that no Credit Party is advising any Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. Each Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated herein or in the other Loan Documents, and the Credit Parties shall have no responsibility or liability to any Borrower with respect thereto. Each Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, any Borrower and other companies with which any Borrower may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion. In addition, each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its Affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which a Borrower may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party or any of its Affiliates will use confidential information obtained from any Borrower by virtue of the transactions contemplated by the Loan Documents or its other relationships with such Borrower in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Borrower also acknowledges that no Credit Party or any of its Affiliates has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to any Borrower, confidential information obtained from other companies.

Section 9.19 Authorization to Distribute Certain Materials to Public-Siders

(a) None of the Obligor currently has any publicly traded securities outstanding (including 144A Securities, commercial paper notes or American Depositary Receipts); provided that the Borrowers agree that if any of the Obligor issues any publicly traded securities at a future date, any of the information in the Loan Documents and the financial statements to be furnished pursuant to Section 5.01(a) and Section 5.01(b), to the extent then material, will be publicly disclosed or set forth in the related prospectus or other offering document for such issuance.

(b) Each Borrower hereby authorizes the Administrative Agent to distribute the execution versions of the Loan Documents and financial statements to all Lenders, including their Public-Siders who indicate that they would not wish to receive information that would be deemed to be material non-public information within the meaning of the United States federal and state securities laws if the Obligor had publicly traded securities outstanding.

(c) If any Borrower issues any 144A Securities during the term of this Agreement and its financial statements are not filed with the SEC, such Borrower (i) agrees to deliver to the Administrative Agent, and authorizes the posting by the Administrative Agent to the public-side view site of the Electronic System, the financial statements and supplemental materials and (ii) represents, warrants and agrees that the financial statements and supplemental materials will not constitute information that, upon disclosure to Public-Siders, would restrict them or their firms from purchasing or selling any of the 144A Securities under U.S. federal and state securities laws. Such Borrower further agrees to clearly label such financial statements and/or supplemental materials with a notice stating: "Confidential Financial Statements provided to 144A Holders" or "Confidential Supplemental Materials," as the case may, before delivering them to the Administrative Agent.

(d) Each Borrower acknowledges its understanding that Public-Siders and their firms may be trading in any of the Obligor's respective securities while in possession of the materials, documents and information distributed to them pursuant to the authorizations made herein.

Section 9.20 Marketing Consent. Each Obligor hereby authorizes the Lenders and their Affiliates, at their respective sole expense, but without any prior approval by such Obligor, to include such Obligor's name and logo in advertising slicks posted on their internet sites, in pitchbooks or sent in mailings to prospective customers and to give such other publicity to this Agreement as each may from time to time determine in its sole discretion. Notwithstanding the foregoing, the Lenders and their Affiliates shall not publish any Obligor's name in a newspaper or magazine without obtaining such Obligor's prior written approval. The foregoing authorization shall remain in effect unless and until the Borrower Representative notifies such Lender in writing that such authorization is revoked.

Section 9.21 Acknowledgement and Consent to Bail-In of Affected Financial Institutions Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

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- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
- (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 9.22 Existing Credit Agreement Amended and Restated; Reaffirmation of Liens This Agreement shall amend and restate the Existing Credit Agreement in its entirety. On the Effective Date, the rights and obligations of the parties under the Existing Credit Agreement shall be subsumed within and be governed by this Agreement; provided, however, that each of the “Loans” (as such term is defined in the Existing Credit Agreement) outstanding under the Existing Credit Agreement on the Effective Date shall, for purposes of this Agreement, be included as Loans hereunder. All Liens and security interests, created and granted by the Security Agreement, the Kodiak Pledge Agreement and the Frontier Pledge Agreement shall, in each case, continue to exist, remain valid and subsisting, shall not be impaired or released hereby, shall remain in full force and effect and are hereby ratified, affirmed, extended and conveyed as continuing security for the Secured Obligations. The Obligors, the Existing Members and Kodiak Corp hereby extend the Liens and security interests securing the Secured Obligations until the Secured Obligations have been Paid in Full, and agree that the amendments herein contained shall in no manner affect or impair the Secured Obligations or the Liens and security interests securing payment and performance thereof, all of which are ratified and confirmed.

Section 9.23 Acknowledgement Regarding Supported QFCs To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or

under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

Section 9.24 Joint and Several. Each Borrower hereby unconditionally and irrevocably agrees it is jointly and severally liable to the Administrative Agent, the Issuing Banks, the Lenders and the other Secured Parties for the Secured Obligations. In furtherance thereof, each Borrower agrees that wherever in this Agreement it is provided that a Borrower is liable for a payment, such obligation is the joint and several obligation of each Borrower. Each Borrower acknowledges and agrees that its joint and several liability under this Agreement and the Loan Documents is absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever by the Administrative Agent, any Issuing Bank, any Lender, any Secured Party or any other Person. Each Borrower's liability for the Secured Obligations shall not in any manner be impaired or affected by who receives or uses the proceeds of the credit extended hereunder or for what purposes such proceeds are used, and each Borrower waives notice of borrowing requests issued by, and loans or other extensions of credit made to, other Borrowers. Each Borrower hereby agrees not to exercise or enforce any right of exoneration, contribution, reimbursement, recourse or subrogation available to such Borrower against any party liable for payment under this Agreement and the Loan Documents unless and until the Administrative Agent, each Issuing Bank, each Lender and each other Secured Party have been paid in full and all of the Secured Obligations are satisfied and discharged following termination or expiration of all commitments of the Lenders to extend credit to the Borrowers. Each Borrower's joint and several liability hereunder with respect to the Secured Obligations shall, to the fullest extent permitted by applicable law, be the unconditional liability of such Borrower irrespective of (i) the validity, enforceability, avoidance or subordination of any of the Secured Obligations or of any other document evidencing all or any part of the Secured Obligations, (ii) the absence of any attempt to collect any of the Secured Obligations from any other Obligor or any Collateral or other security therefor, or the absence of any other action to enforce the same, (iii) the amendment, modification, waiver, consent, extension, forbearance or granting of any indulgence by the Administrative Agent or any Lender with respect to any provision of any instrument executed by any other Obligor evidencing or securing the payment of any of the Secured Obligations, or any other agreement now or hereafter executed by any other Obligor and delivered to the Administrative Agent, (iv) the failure by the Administrative Agent or any Lender to take any steps to perfect or maintain the perfected status of its Lien upon, or to preserve its rights to, any of the Collateral or other security for the payment or performance of any of the Secured Obligations or the Administrative Agent's release of any Collateral or of its Liens upon any Collateral, (v) the release or compromise, in whole or in part,

of the liability of any other Obligor for the payment of any of the Secured Obligations, (vi) any increase in the amount of the Secured Obligations beyond any limits imposed herein or in the amount of any interest, fees or other charges payable in connection therewith, in each case, if consented to by any other Borrower, or any decrease in the same, or (vii) any other circumstance that might constitute a legal or equitable discharge or defense of any Obligor. After the occurrence and during the continuance of any Event of Default, the Administrative Agent may proceed directly and at once, without notice to any Borrower, against any or all of Obligors to collect and recover all or any part of the Secured Obligations, without first proceeding against any other Obligor or against any Collateral or other security for the payment or performance of any of the Secured Obligations, and each Borrower waives any provision that might otherwise require the Administrative Agent or the Lenders under applicable law to pursue or exhaust remedies against any Collateral or other Obligor before pursuing such Borrower or its property. Each Borrower consents and agrees that neither the Administrative Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Obligor or against or in payment of any or all of the Secured Obligations.

Section 9.25 Exiting Lender. Each of BMO Harris Bank, N.A., The Prudential Insurance Company of America, Prudential Legacy Insurance Company of New Jersey, KeyBank National Association, Sterling National Bank and Allegiance Bank (each, an "Exiting Lender"), hereby sells, assigns, transfers and conveys to the Lenders hereto, and each of the Lenders hereto hereby purchases and accepts, so much of the aggregate Commitments under, and Loans outstanding under, the Existing Credit Agreement such that, after giving effect to this Agreement (a) such Exiting Lender shall (i) be paid in full in cash for all amounts owing under the Existing Credit Agreement as agreed and calculated by such Exiting Lender and the Administrative Agent in accordance with the Existing Credit Agreement, (ii) cease to be a "Lender" under the Existing Credit Agreement and the "Loan Documents" as defined therein and (iii) relinquish its rights (other than those rights applicable to all Lenders which would expressly survive a termination of the Existing Credit Agreement) and be released from its obligations under the Existing Credit Agreement and the other "Loan Documents" as defined therein, and (b) the Commitment of each Lender shall be as set forth on the Commitment Schedule. The foregoing assignments, transfers and conveyances are without recourse to such Exiting Lender and without any warranties whatsoever by the Administrative Agent or such Exiting Lender as to title, enforceability, collectability, documentation or freedom from liens or encumbrances, in whole or in part, other than the warranty of such Exiting Lender that it has not previously sold, transferred, conveyed or encumbered such interests. The Exiting Lender is executing this Agreement for the sole purpose of evidencing its agreement to this Section 9.25 only and for no other purpose and shall have no obligations under this Agreement except as set forth in this Section 9.25.

#### ARTICLE X Loan Guaranty

Section 10.01 Guaranty. Each Loan Guarantor (other than those that have delivered a separate guaranty) hereby agrees that it is jointly and severally liable for, and, as a primary obligor and not merely as a surety, absolutely, unconditionally and irrevocably guarantees to the Secured Parties, the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the Secured Obligations and all costs and expenses, including, without limitation, all court costs and attorneys' and paralegals' fees (including allocated costs of in-house



counsel and paralegals) and expenses paid or incurred by the Administrative Agent, the Issuing Banks and the other Secured Parties in endeavoring to collect all or any part of the Secured Obligations from, or in prosecuting any action against, any Borrower, any Loan Guarantor or any other guarantor of all or any part of the Secured Obligations (such costs and expenses, together with the Secured Obligations, collectively the "**Guaranteed Obligations**"; provided, however, that the definition of "Guaranteed Obligations" shall not create any guarantee by any Loan Guarantor of (or grant of security interest by any Loan Guarantor to support, as applicable) any Excluded Swap Obligations of such Loan Guarantor for purposes of determining any obligations of any Loan Guarantor). Each Loan Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. All terms of this Loan Guaranty apply to and may be enforced by or on behalf of any domestic or foreign branch or Affiliate of any Lender that extended any portion of the Guaranteed Obligations.

Section 10.02 Guaranty of Payment. This Loan Guaranty is a guaranty of payment and not of collection. Each Loan Guarantor waives any right to require the Administrative Agent, any Issuing Bank or any Lender to sue any Borrower, any Loan Guarantor, any other guarantor of, or any other Person obligated for, all or any part of the Guaranteed Obligations (each, an "**Obligated Party**"), or otherwise to enforce its payment against any collateral securing all or any part of the Guaranteed Obligations.

Section 10.03 No Discharge or Diminishment of Loan Guaranty. (a) Except as otherwise provided for herein, the obligations of each Loan Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the Payment in Full of the Guaranteed Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Borrower or any other Obligated Party liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party or their assets or any resulting release or discharge of any obligation of any Obligated Party; or (iv) the existence of any claim, setoff or other rights which any Loan Guarantor may have at any time against any Obligated Party, the Administrative Agent, any Issuing Bank, any Lender or any other Person, whether in connection herewith or in any unrelated transactions.

(b) The obligations of each Loan Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(c) Further, the obligations of any Loan Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the Administrative Agent, any Issuing Bank or any Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection or invalidity of any indirect or direct security for the obligations of any Borrower for all or any

part of the Guaranteed Obligations or any obligations of any other Obligated Party liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the Administrative Agent, any Issuing Bank or any Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Loan Guarantor or that would otherwise operate as a discharge of any Loan Guarantor as a matter of law or equity (other than the Payment in Full of the Guaranteed Obligations).

Section 10.04 Defenses Waived. To the fullest extent permitted by applicable law, each Loan Guarantor hereby waives any defense based on or arising out of any defense of any Borrower or any Loan Guarantor or the unenforceability of all or any part of the Guaranteed Obligations from any cause, or the cessation from any cause of the liability of any Borrower, any Loan Guarantor or any other Obligated Party, other than the indefeasible Payment in Full of the Guaranteed Obligations. Without limiting the generality of the foregoing, each Loan Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against any Obligated Party or any other Person. Each Loan Guarantor confirms that it is not a surety under any state law and shall not raise any such law as a defense to its obligations hereunder. The Administrative Agent may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, without affecting or impairing in any way the liability of such Loan Guarantor under this Loan Guaranty except to the extent the Guaranteed Obligations have been Paid in Full. To the fullest extent permitted by applicable law, each Loan Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Loan Guarantor against any Obligated Party or any security.

Section 10.05 Rights of Subrogation. No Loan Guarantor will assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any Obligated Party or any collateral, until the Obligors and the Loan Guarantors have fully performed all their obligations to the Administrative Agent, the Issuing Banks and the Lenders.

Section 10.06 Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations (including a payment effected through exercise of a right of setoff) is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise (including a payment effected through exercise of a right of setoff), each Loan Guarantor's obligations under this Loan Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made and whether or not the Administrative Agent, the Issuing Banks and the Lenders are in possession of this Loan Guaranty. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the Loan Guarantors forthwith on demand by the Administrative Agent.

Section 10.07 Information. Each Loan Guarantor assumes all responsibility for being and keeping itself informed of the Borrowers' financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks that each Loan Guarantor assumes and incurs under this Loan Guaranty, and agrees that none of the Administrative Agent, any Issuing Bank or any Lender shall have any duty to advise any Loan Guarantor of information known to it regarding those circumstances or risks.

Section 10.08 Termination. Each of the Lenders and the Issuing Banks may continue to make loans or extend credit to the Borrowers based on this Loan Guaranty until five (5) days after it receives written notice of termination from any Loan Guarantor. Notwithstanding receipt of any such notice, each Loan Guarantor will continue to be liable to the Lenders for any Guaranteed Obligations created, assumed or committed to prior to the fifth day after receipt of the notice, and all subsequent renewals, extensions, modifications and amendments with respect to, or substitutions for, all or any part of such Guaranteed Obligations. Nothing in this Section 10.08 shall be deemed to constitute a waiver of, or eliminate, limit, reduce or otherwise impair any rights or remedies the Administrative Agent or any Lender may have in respect of, any Default or Event of Default that may exist under clause (o) of Article VII hereof as a result of any such notice of termination.

Section 10.09 Taxes. Each payment of the Guaranteed Obligations will be made by each Loan Guarantor without withholding for any Taxes, unless such withholding is required by law. If any Loan Guarantor determines, in its sole discretion exercised in good faith, that it is so required to withhold Taxes, then such Loan Guarantor may so withhold and shall timely pay the full amount of withheld Taxes to the relevant Governmental Authority in accordance with applicable law. If such Taxes are Indemnified Taxes, then the amount payable by such Loan Guarantor shall be increased as necessary so that, net of such withholding (including such withholding applicable to additional amounts payable under this Section), the Administrative Agent, the applicable Lender or the applicable Issuing Bank (as the case may be) receives the amount it would have received had no such withholding been made.

Section 10.10 Maximum Liability. The provisions of this Loan Guaranty are severable, and in any action or proceeding involving any state corporate law, or any state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Loan Guarantor under this Loan Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Loan Guarantor's liability under this Loan Guaranty, then, notwithstanding any other provision of this Loan Guaranty to the contrary, the amount of such liability shall, without any further action by the Loan Guarantors or the Administrative Agent, any Issuing Bank or any Lender, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Loan Guarantor's "Maximum Liability"). This Section with respect to the Maximum Liability of each Loan Guarantor is intended solely to preserve the rights of the Administrative Agent, the Issuing Banks and the Lenders to the maximum extent not subject to avoidance under applicable law, and

no Loan Guarantor or any other Person shall have any right or claim under this Section with respect to such Maximum Liability, except to the extent necessary so that the obligations of any Loan Guarantor hereunder shall not be rendered voidable under applicable law. Each Loan Guarantor agrees that the Guaranteed Obligations may at any time and from time to time exceed the Maximum Liability of each Loan Guarantor without impairing this Loan Guaranty or affecting the rights and remedies of the Administrative Agent, the Issuing Banks or the Lenders hereunder, provided that, nothing in this sentence shall be construed to increase any Loan Guarantor's obligations hereunder beyond its Maximum Liability.

Section 10.11 Contribution. In the event any Loan Guarantor (a "**Paying Guarantor**") shall make any payment or payments under this Loan Guaranty or shall suffer any loss as a result of any realization upon any collateral granted by it to secure its obligations under this Loan Guaranty, each other Loan Guarantor (each a "**Non-Paying Guarantor**") shall contribute to such Paying Guarantor an amount equal to such Non-Paying Guarantor's "Applicable Percentage" of such payment or payments made, or losses suffered, by such Paying Guarantor. For purposes of this Article X, each Non-Paying Guarantor's "Applicable Percentage" with respect to any such payment or loss by a Paying Guarantor shall be determined as of the date on which such payment or loss was made by reference to the ratio of (i) such Non-Paying Guarantor's Maximum Liability as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder) or, if such Non-Paying Guarantor's Maximum Liability has not been determined, the aggregate amount of all monies received by such Non-Paying Guarantor from the Borrowers after the date hereof (whether by loan, capital infusion or by other means) to (ii) the aggregate Maximum Liability of all Loan Guarantors hereunder (including such Paying Guarantor) as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder), or to the extent that a Maximum Liability has not been determined for any Loan Guarantor, the aggregate amount of all monies received by such Loan Guarantors from the Borrowers after the date hereof (whether by loan, capital infusion or by other means). Nothing in this provision shall affect any Loan Guarantor's several liability for the entire amount of the Guaranteed Obligations (up to such Loan Guarantor's Maximum Liability). Each of the Loan Guarantors covenants and agrees that its right to receive any contribution under this Loan Guaranty from a Non-Paying Guarantor shall be subordinate and junior in right of payment to the Payment in Full of the Guaranteed Obligations. This provision is for the benefit of all of the Administrative Agent, the Issuing Banks, the Lenders and the Loan Guarantors and may be enforced by any one, or more, or all of them in accordance with the terms hereof.

Section 10.12 Liability Cumulative. The liability of each Obligor as a Loan Guarantor under this Article X is in addition to and shall be cumulative with all liabilities of each Obligor to the Administrative Agent, the Issuing Banks and the Lenders under this Agreement and the other Loan Documents to which such Obligor is a party or in respect of any obligations or liabilities of the other Obligors, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

Section 10.13 Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Obligor to honor all of its obligations under this Loan Guaranty in respect of a Swap Obligation (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 10.13 for the maximum amount of such liability

that can be hereby incurred without rendering its obligations under this Section 10.13 or otherwise under this Loan Guaranty voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Except as otherwise provided herein, the obligations of each Qualified ECP Guarantor under this Section 10.13 shall remain in full force and effect until the termination of all Swap Obligations. Each Qualified ECP Guarantor intends that this Section 10.13 constitute, and this Section 10.13 shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Obligor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

ARTICLE XI  
The Borrower Representative

Section 11.01 Appointment; Nature of Relationship. The Kodiak Borrower is hereby appointed by each of the Borrowers as its contractual representative (herein referred to as the “**Borrower Representative**”) hereunder and under each other Loan Document, and each of the Borrowers irrevocably authorizes the Borrower Representative to act as the contractual representative of such Borrower with the rights and duties expressly set forth herein and in the other Loan Documents. The Borrower Representative agrees to act as such contractual representative upon the express conditions contained in this Article XI. Additionally, the Borrowers hereby appoint the Borrower Representative as their agent to receive all of the proceeds of the Loans in the Funding Account or such other account as may be designated by the Borrower Representative in consultation with the Administrative Agent, at which time the Borrower Representative shall promptly disburse such Loans to the appropriate Borrower(s), provided that, in the case of a Revolving Loan, such amount shall not exceed Availability. The Administrative Agent, the Issuing Banks, the Lenders and the other Secured Parties, and their respective officers, directors, agents or employees, shall not be liable to the Borrower Representative or any Borrower for any action taken or omitted to be taken by the Borrower Representative or the Borrowers pursuant to this Section 11.01.

Section 11.02 Powers. The Borrower Representative shall have and may exercise such powers under the Loan Documents as are specifically delegated to the Borrower Representative by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Borrower Representative shall have no implied duties to the Borrowers, or any obligation to the Lenders to take any action thereunder except any action specifically provided by the Loan Documents to be taken by the Borrower Representative.

Section 11.03 Employment of Agents. The Borrower Representative may execute any of its duties as the Borrower Representative hereunder and under any other Loan Document by or through authorized officers.

Section 11.04 Notices. Each Borrower shall immediately notify the Borrower Representative of the occurrence of any Default or Event of Default hereunder referring to this Agreement describing such Default or Event of Default and stating that such notice is a “notice of default”. In the event that the Borrower Representative receives such a notice, the Borrower Representative shall give prompt notice thereof to the Administrative Agent and the Lenders. Any notice provided to the Borrower Representative hereunder shall constitute notice to each Borrower on the date received by the Borrower Representative.

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Section 11.05 Successor Borrower Representative. Upon the prior written consent of the Administrative Agent, the Borrower Representative may resign at any time, such resignation to be effective upon the appointment of a successor Borrower Representative. The Administrative Agent shall give prompt written notice of such resignation to the Lenders.

Section 11.06 Execution of Loan Documents; Borrowing Base Certificate. The Borrowers hereby empower and authorize the Borrower Representative, on behalf of the Borrowers, to execute and deliver to the Administrative Agent, the Issuing Banks, the Lenders and the other Secured Parties the Loan Documents and all related agreements, certificates, documents, or instruments as shall be necessary or appropriate to effect the purposes of the Loan Documents, including, without limitation, the Borrowing Base Certificates and the Compliance Certificates. Each Borrower agrees that any action taken by the Borrower Representative or the Borrowers in accordance with the terms of this Agreement or the other Loan Documents, and the exercise by the Borrower Representative of its powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Borrowers.

Section 11.07 Reporting. Each Borrower hereby agrees, upon the request of the Administrative Agent, that such Borrower shall furnish promptly after each fiscal month to the Borrower Representative a copy of its Borrowing Base Certificate and any other certificate or report required hereunder or requested by the Borrower Representative on which the Borrower Representative shall rely to prepare the Borrowing Base Certificates and Compliance Certificate required pursuant to the provisions of this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective authorized officers as of the day and year first above written.

**BORROWERS:**

KODIAK GAS SERVICES, LLC

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

FRONTIER INTERMEDIATE HOLDING, LLC

By: /s/ Peter Veldman  
Name: Peter Veldman  
Title: Treasurer

[SIGNATURE PAGE TO FOURTH AMENDED AND RESTATED CREDIT AGREEMENT – KODIAK]

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**OTHER OBLIGORS:**

PEGASUS OPTIMIZATION EMPLOYER, LLC

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

PEGASUS OPTIMIZATION MANAGERS, LLC

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

PEGASUS EOR, LLC

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

PRM COMPRESSION II, LLC

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

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Signing solely for purposes of Section 9.22 of this Agreement:

KODIAK GAS SERVICES, INC. (F/K/A FRONTIER TOPCO, INC.)

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

FRONTIER ACQUISITION I, INC.  
FRONTIER ACQUISITION II, INC.

By: /s/ John B. Griggs  
Name: John B. Griggs  
Title: Executive Vice President and Chief Financial Officer

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JPMORGAN CHASE BANK, N.A., individually and as  
Administrative Agent, an Issuing Bank, Swingline Lender  
and a Lender

By: /s/ Gregory George

Name: Gregory George

Title: Authorized Officer

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BANK OZK,  
as a Lender

By: /s/ Michael Song  
Name: Michael Song  
Title: Executive Vice President

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BANK OF AMERICA, N.A.,  
as a Lender

By: /s/ Alexandra Mills

Name: Alexandra Mills

Title: Vice President

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NYCB SPECIALTY FINANCE COMPANY, LLC,  
a wholly owned subsidiary of New York Community Bank,  
as a Lender

By: /s/ Willard D. Dickerson, Jr.

Name: Willard D. Dickerson, Jr.

Title: Senior Vice President

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PNC BANK, NATIONAL ASSOCIATION,  
as a Lender

By: /s/ Brad Miller

Name: Brad Miller

Title: Vice President

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FIFTH THIRD BANK, NATIONAL ASSOCIATION  
as a Lender

By: /s/ William Kane

Name: William Kane

Title: Vice President

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REGIONS BANK,  
as a Lender

By: /s/ Dennis M. Hansen

Name: Dennis M. Hansen

Title: Managing Director

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TRUIST BANK, as a Lender

By: /s/ Carla Pierce

Name: Carla Pierce

Title: Director

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BARCLAYS BANK PLC, as a Lender

By: /s/ Sydney G. Dennis

Name: Sydney G. Dennis

Title: Director

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CATERPILLAR FINANCIAL SERVICES  
CORPORATION, as a Lender

By: /s/ Robert J. Bennes

Name: Robert J. Bennes

Title: Vice President

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FIRST HORIZON BANK, as a Lender

By: /s/ B. Forrest Taylor

Name: B. Forrest Taylor

Title: Senior Vice President

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TEXAS CAPITAL BANK, as a Lender

By: /s/ Matthew Hinders

Name: Matthew Hinders

Title: Executive Director

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FIRST-CITIZENS BANK & TRUST COMPANY,  
(f/k/a CIT BANK, N.A.),  
as a Lender

By: /s/ Christopher Solley

Name: Christopher Solley

Title: Vice President

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GOLDMAN SACHS BANK USA,  
as a Lender

By: /s/ Andrew Vernon

Name: Andrew Vernon

Title: Authorized Signatory

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Webster Bank, National Association, as successor by merger  
to Sterling National Bank,  
as a Lender

By: /s/ Lawrence J. Cannariato  
Name: Lawrence J. Cannariato  
Title: Managing Director, Portfolio Management

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COMERICA BANK, as a Lender

By: /s/ Walter F. Rodee, III

Name: Walter F. Rodee, III

Title:

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BOKF, NA DBA BOK FINANCIAL, as a Lender

By: /s/ David Risen

Name: David Risen

Title: Vice President

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CADENCE BANK,  
as a Lender

By: /s/ J Ryan Davison

Name: J Ryan Davison

Title: Vice President

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SUNFLOWER BANK, N.A.,  
as a Lender

By: /s/ Jared Grabow  
Name: Jared Grabow  
Title: SVP & Team Lead, ABL

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BMO HARRIS BANK, N.A., as an Exiting Lender

By: /s/ Dan Duffy

Name: Dan Duffy

Title: Director

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PRUDENTIAL LEGACY INSURANCE  
COMPANY OF NEW JERSEY, as an Exiting Lender

By: PGIM, Inc., as investment manager

By: /s/ Brittany Braden  
Brittany Braden  
Vice President

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THE PRUDENTIAL INSURANCE COMPANY  
OF AMERICA, as an Exiting Lender

By: PGIM, Inc., as investment manager

By: /s/ Brittany Braden  
Brittany Braden  
Vice President

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KEYBANK NATIONAL ASSOCIATION,  
as an Exiting Lender

By: /s/ Nadine M. Eames

Name: Nadine M. Eames

Title: Vice President

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Webster Business Credit, a division of Webster  
Bank, N.A.,  
as an Existing Lender

By: /s/ Lawrence J. Cannariato  
Name: Lawrence J. Cannariato  
Title: Managing Director, Portfolio Management

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ALLEGIANCE BANK, as an Exiting Lender

By: /s/ Amy Ritter  
Name: Amy Ritter  
Title: Bank President

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COMMITMENT SCHEDULE

<b>Lender</b>	<b>Commitment</b>
JPMorgan Chase Bank, N.A.	\$ 250,000,000.00
Bank OZK	\$ 250,000,000.00
Bank of America, N.A.	\$ 200,000,000.00
NYCB Specialty Finance Company, LLC	\$ 200,000,000.00
PNC Bank, National Association	\$ 200,000,000.00
Fifth Third Bank, National Association	\$ 175,000,000.00
Regions Bank	\$ 150,000,000.00
Truist Bank	\$ 150,000,000.00
Barclays Bank PLC	\$ 125,000,000.00
Caterpillar Financial Services Corporation	\$ 80,000,000.00
First Horizon Bank	\$ 75,000,000.00
Texas Capital Bank	\$ 57,500,000.00
First-Citizens Bank & Trust Company	\$ 50,000,000.00
Goldman Sachs Bank USA	\$ 50,000,000.00
Webster Business Credit	\$ 50,000,000.00
Comerica Bank	\$ 47,500,000.00
BOKF, NA dba BOK Financial	\$ 35,000,000.00
Cadence Bank	\$ 30,000,000.00
Sunflower Bank, N.A.	\$ 25,000,000.00
<b>Total</b>	<b><u>\$2,200,000,000.00</u></b>

[COMMITMENT SCHEDULE]

**FRONTIER TOPCO PARTNERSHIP, L.P.**  
**2019 CLASS B UNIT INCENTIVE PLAN**

**1. Purpose.** The purpose of the Frontier TopCo Partnership, L.P. 2019 Class B Unit Incentive Plan is to provide a means through which the Partnership and other members of the Partnership Group may attract and retain key personnel and to provide a means whereby directors, officers, employees, consultants, and advisors of the Partnership and other members of the Partnership Group can acquire and maintain an equity interest in the Partnership, or be paid incentive compensation measured by reference to the value of equity interests in the Partnership, thereby strengthening their commitment to the welfare of the Partnership Group and aligning their interests with those of the Partnership's equityholders.

**2. Definitions.** Capitalized terms used herein are defined on Appendix A, attached hereto, or to the extent not defined therein, will have the meanings given them in the Partnership Agreement.

**3. Effective Date; Duration.** The Plan shall be effective as of the Effective Date. The expiration date of the Plan, on and after which date no Awards may be granted hereunder, shall be the tenth (10<sup>th</sup>) anniversary of the Effective Date; *provided, however*, that such expiration shall not affect Awards then outstanding, and the terms and conditions of the Plan shall continue to apply to such Awards.

**4. Administration.**

(a) The Board shall administer the Plan. Subject to the provisions of the Plan and applicable law, the Board shall have the sole and plenary authority, in addition to other express powers and authorizations conferred on the Board by the Plan, to: (i) designate Participants, based on the recommendations of the Chief Executive Officer; (ii) determine the type or types of Awards to be granted to a Participant; (iii) determine the number of Class B Units or Phantom Units to be covered by, or with respect to which payments, rights, or other matters are to be calculated in connection with, Awards, based on the recommendations of the Chief Executive Officer; (iv) determine the terms and conditions of any Award; (v) determine whether, to what extent, and under what circumstances Awards may be settled in cash, Class B Units, other securities, other Awards, or other property, or canceled, forfeited, or suspended and the method or methods by which Awards may be settled, canceled, forfeited, or suspended; (vi) determine whether, to what extent, and under what circumstances the delivery of cash, Class B Units, other securities, other Awards, or other property and other amounts payable with respect to an Award shall be deferred either automatically or at the election of the Participant or of the Board; (vii) interpret, administer, reconcile any inconsistency in, correct any defect in, and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan; (viii) establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Board shall deem appropriate for the proper administration of the Plan; and (ix) make any other determination and take any other action that the Board deems necessary or desirable for the administration of the Plan.

(b) Except to the extent prohibited by applicable law or the applicable rules and regulations of any securities exchange or inter-dealer quotation system on which the securities of the Partnership are listed or traded, the Board may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any Person or Persons selected by it. Any such allocation or delegation may be revoked by the Board at any time. Without limiting the generality of the foregoing, the Board may delegate to one or more officers of any member of the Partnership Group the authority to act on behalf of the Board with respect to any matter, right, obligation, or election which is the responsibility of or which is allocated to the Board herein, and which may be so delegated as a matter of law.

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(c) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan or any Award or any documents evidencing Awards granted pursuant to the Plan shall be within the sole discretion of the Board, may be made at any time and shall be final, conclusive, and binding upon all Persons, including, without limitation, any member of the Partnership Group, any Participant, any holder or beneficiary of any Award, and any unitholder of the Partnership.

(d) No member of the Board or any employee or agent of any member of the Partnership Group delegated authority under Section 4(b) hereof (each such Person, an “Indemnifiable Person”) shall be liable for any action taken or omitted to be taken or any determination made with respect to the Plan or any Award hereunder (unless constituting fraud or a willful criminal act or omission). Each Indemnifiable Person shall be indemnified and held harmless by the Partnership against and from any loss, cost, liability, or expense (including attorneys’ fees) that may be imposed upon or incurred by such Indemnifiable Person in connection with or resulting from any action, suit, or proceeding to which such Indemnifiable Person may be a party or in which such Indemnifiable Person may be involved by reason of any action taken or omitted to be taken or determination made with respect to the Plan or any Award hereunder and against and from any and all amounts paid by such Indemnifiable Person with the Partnership’s approval, in settlement thereof, or paid by such Indemnifiable Person in satisfaction of any judgment in any such action, suit, or proceeding against such Indemnifiable Person, and the Partnership shall advance to such Indemnifiable Person any such expenses promptly upon written request (which request shall include an undertaking by the Indemnifiable Person to repay the amount of such advance if it shall ultimately be determined as provided below that the Indemnifiable Person is not entitled to be indemnified); *provided* that the Partnership shall have the right, at its own expense, to assume and defend any such action, suit, or proceeding and once the Partnership gives notice of its intent to assume the defense, the Partnership shall have sole control over such defense with counsel of the Partnership’s choice. The foregoing right of indemnification shall not be available to an Indemnifiable Person to the extent that a final judgment or other final adjudication (in either case not subject to further appeal) binding upon such Indemnifiable Person determines that the acts or omissions or determinations of such Indemnifiable Person giving rise to the indemnification claim resulted from such Indemnifiable Person’s fraud or willful criminal act or omission or that such right of indemnification is otherwise prohibited by law or by the organizational documents of any member of the Partnership Group. The foregoing right of indemnification shall not be exclusive of or otherwise supersede any other rights of indemnification to which such Indemnifiable Person may be entitled under the organizational documents of any member of the Partnership Group, as a matter of law, under an individual indemnification agreement or contract, or otherwise, or any other power that the Partnership may have to indemnify such Indemnifiable Person or hold such Indemnifiable Person harmless.

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**5. Grant of Awards; Units Subject to the Plan; Limitations.**

(a) The Board may, from time to time, grant Awards to one or more Eligible Persons.

(b) Subject to Section 7 of the Plan, 61,098.40391 Class B Units (the "Plan Unit Reserve") shall be available for grants of Awards under the Plan. Each Award granted under the Plan will reduce the Plan Unit Reserve, and to the extent that a Phantom Unit is granted under the Plan by reference to any Class B Units, each such Phantom Unit shall count against the Plan Unit Reserve on a one-for-one basis.

(c) To the extent that an Award expires or is canceled, forfeited, terminated, or otherwise is settled without delivery to the Participant of the full number of Class B Units (or value related thereto) to which the Award related, the undelivered Class B Units shall be returned to the Plan Unit Reserve for future grant under the Plan. For the avoidance of doubt, Class B Units that convert to Class C Units as a result of the Class C Unit Exchange shall not be returned to the Plan Unit Reserve.

**6. Award Provisions.** Each grant of Awards will be evidenced by an Award Agreement, which shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. The terms and conditions of an Award Agreement need not be identical, but each Award Agreement shall include (through incorporation of provisions hereof by reference in such Award Agreement or otherwise) the substance of the each of the following provisions:

(a) Each Award Agreement shall specify the type of Award and the number, subclass (if applicable) and Distribution Threshold(s) of Class B Units to which it pertains, and if such Class B Unit is designated as a Catch-Up Unit.

(b) Each Award Agreement shall specify the terms and vesting conditions, if any, with respect to the Award.

(c) Each Award Agreement for Class B Units shall require the Participant to execute a joinder agreement agreeing to be bound by the terms of the Partnership Agreement, to the extent such Participant is not already a direct signatory to the Partnership Agreement or otherwise bound by a joinder agreement.

**7. Changes in Capital Structure and Similar Events.** Notwithstanding any other provision in this Plan to the contrary, the following provisions shall apply to all Awards granted hereunder:

(a) In the event of (i) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, Units, other securities, or other property), recapitalization, Unit split, reverse Unit split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase, or exchange of Units or other securities of the Partnership, or other similar transaction or event that affects the Units (including a Change of Control), or (ii) any unusual or nonrecurring events affecting the Partnership, including changes in applicable laws, rules or regulations, extraordinary sale or repurchase transactions, or the dissolution or liquidation of the Partnership, that the Board determines, in its reasonable discretion, warrants adjustment in order to maintain or satisfy the intended purpose of the Plan (any event in (i) or (ii), an "Adjustment Event"), the Board shall, in respect of any such Adjustment Event, make such an equitable substitution or adjustment to any or all of: (A) the Plan Unit Reserve, (B) the number of Class B Units or other securities of the Company (or number and kind of other securities or other property) which may be issued in respect of Awards or with respect to which Awards may be granted under the Plan, and (C) the terms of any outstanding Award, including, without limitation, the number of Class B Units or other securities of the Company (or number and kind of other securities or other property) subject to outstanding Awards or to which outstanding Awards relate and the Distribution Threshold(s) applicable to such Awards. Any adjustment under this Section 7 shall be conclusive and binding for all purposes.

(b) Without limiting the foregoing, except as may otherwise be provided in an Award Agreement, in connection with any Adjustment Event that is a Change of Control, the Board may, in its sole discretion, provide for any one or more of the following:

- (i) substitution or assumption of Awards, acceleration of the vesting of, or lapse of restrictions on, Awards;
- (ii) cancellation of any one or more outstanding Awards and causing to be paid to the holders of such Awards as of such cancellation the value of such Awards, if any, as determined by the Board; and
- (iii) conversion or replacement of any Award that is not vested as of the occurrence of such event into or with the right to receive a payment, based on the value of the Award at the time of such conversion or replacement, if any, as determined by the Board, that is subject to continued vesting on the same basis as the vesting requirements applicable to such converted or replaced Award.

Payments to holders pursuant to clauses (ii) or (iii) above shall be made in cash or, in the sole discretion of the Board, in the form of such other consideration (whether in property, cash, or securities, or any combination thereof), as received by holders of Class A-2 Units.

(c) Prior to any payment or adjustment contemplated under this Section 7, the Board may require a Participant to: (i) represent and warrant as to the unencumbered title to the Participant's Awards, (ii) bear such Participant's pro rata share of any post-closing indemnity obligations and be subject to the same post-closing purchase price adjustments, escrow terms, offset rights, holdback terms, and similar conditions as the other unitholders, and (iii) deliver customary transfer documentation as reasonably determined by the Board.

(d) Any adjustment provided under this Section 7 may provide for the elimination of any fractional units that might otherwise become subject to an Award.

## 8. Amendments and Termination.

(a) Amendment and Termination of the Plan. The Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; *provided* that any such amendment, alteration, suspension, discontinuance, or termination that would materially and adversely affect the rights of any Participant or any holder of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant or holder.

(b) Amendment of Award Agreements. The Board may, to the extent consistent with the terms of any applicable Award Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel, or terminate any Award theretofore granted or the associated Award Agreement, prospectively or retroactively (including after a Participant's Termination); *provided* that, other than pursuant to Section 7 any such waiver, amendment, alteration, suspension, discontinuance, cancellation, or termination that would materially and adversely affect the rights of any Participant with respect to any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant.

## 9. General.

(a) Award Agreements. Each Award under the Plan shall be evidenced by an Award Agreement, which shall be delivered to the Participant to whom such Award was granted and shall specify the terms and conditions of the Award and any rules applicable thereto, including without limitation, the effect on such Award of the death, Disability, or Termination of a Participant or of such other events as may be determined by the Board. For purposes of the Plan, an Award Agreement may be in any such form (written or electronic) as determined by the Board (including, without limitation, a Board resolution, an employment agreement, a notice, a certificate, or a letter) evidencing the Award. The Board need not require an Award Agreement to be signed by the Participant or a duly authorized representative of the Partnership.

(b) Transferability. Any Class B Units received by a Participant in connection with any Award granted under this Plan (or any Class C Units received in a Class C Unit Exchange, if applicable) shall not be subject to a Transfer without complying with the terms, provisions and conditions of the Partnership Agreement. Any Transfer or attempted Transfer not in compliance with the Partnership Agreement shall be null, void and of no effect, and shall not be effected upon the records of the Partnership. Phantom Units shall not be subject to Transfer other than pursuant to the laws of descent or distribution, and any Transfer or attempted Transfer of Phantom Units shall be null, void and of no effect, and shall not be effected upon the records of the Partnership.

(c) Tax Withholding. As a condition to the grant of any Award, the Partnership may require that a Participant satisfy, through a cash payment by the Participant, or in the discretion of the Partnership, through deduction or withholding from any payment of any kind otherwise due to the Participant, or through such other arrangements as are satisfactory to the Partnership, the amount of all federal, state, and local income and other applicable taxes of any kind required or permitted to be withheld in connection with such Award.



(d) Data Protection. By participating in the Plan or accepting any rights granted under it, each Participant consents to the collection and processing of personal data relating to the Participant so that the Partnership and its Affiliates can fulfill their obligations and exercise their rights under the Plan and generally administer and manage the Plan. This data will include, but may not be limited to, data about participation in the Plan and securities offered or received, purchased, or sold under the Plan from time to time and other appropriate financial and other data (such as the date on which the Awards were granted) about the Participant and the Participant's participation in the Plan.

(e) No Claim to Awards; No Rights to Continued Employment or Services; Waiver. No employee of the Partnership or any other member of the Partnership Group, or other person, shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for a grant of any other Award. There is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards and the Board's determinations and interpretations with respect thereto need not be the same with respect to each Participant and may be made selectively among Participants, whether or not such Participants are similarly situated. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of any member of the Partnership Group, nor shall it be construed as giving any Participant any rights to continued service on the Board. The Service Recipient or any other member of the Partnership Group, as applicable, may at any time dismiss a Participant from employment or discontinue any consulting relationship, free from any liability or any claim under the Plan, unless otherwise expressly provided in the Plan or any Award Agreement. By accepting an Award under the Plan, a Participant shall thereby be deemed to have waived any claim to continued vesting of an Award or to damages or severance entitlement related to non-continuation of the Award beyond the period provided under the Plan or any Award Agreement, except to the extent of any provision to the contrary in any written employment contract or other agreement between the Partnership and its Affiliates and the Participant, whether any such agreement is executed before, on, or after the Date of Grant.

(f) International Participants. With respect to Participants who are citizens of a country other than the United States or work outside of the United States of America, the Board may in its sole discretion amend the terms of the Plan or outstanding Awards with respect to such Participants in order to conform such terms with the requirements of applicable law or to obtain more favorable tax or other treatment for a Participant, the Partnership, or any other member of the Partnership Group.

(g) Designation and Change of Beneficiary. Each Participant may file with the Partnership a written designation of one or more Persons as the beneficiary(ies) who shall be entitled to receive the amounts payable with respect to an Award, if any, due under the Plan upon the Participant's death. A Participant may, from time to time, revoke or change the Participant's beneficiary designation without the consent of any prior beneficiary by filing a new designation with the Partnership. The last such designation received by the Partnership shall be controlling; *provided, however*, that no designation, or change or revocation thereof, shall be effective unless received by the Partnership prior to the Participant's death, and in no event shall it be effective as of a date prior to such receipt. If no beneficiary designation is filed by a Participant, the beneficiary shall be deemed to be the Participant's spouse or, if the Participant is unmarried at the time of death, the Participant's estate.

(h) Termination.

(i) Except as otherwise provided in an Award Agreement, unless determined otherwise by the Board at any point following such event: (A) neither a temporary absence from employment or services due to illness, vacation, or leave of absence (including, without limitation, a call to active duty for military service through a Reserve or National Guard unit) nor a transfer from employment or services with one Service Recipient to employment or services with another Service Recipient (or vice-versa) shall be considered a Termination; and (B) if a Participant undergoes a Termination of employment, but such Participant continues to provide services to the Partnership Group in a non-employee capacity, such change in status shall not be considered a Termination for purposes of the Plan. Further, unless otherwise determined by the Board, in the event that any Service Recipient ceases to be a member of the Partnership Group (by reason of sale, divestiture, spin-off, or other similar transaction), unless a Participant's employment or services is or are transferred to another entity that would constitute a Service Recipient immediately following such transaction, such Participant shall be deemed to have suffered a Termination hereunder as of the date of the consummation of such transaction.

(ii) For purposes of the Plan, no period of notice of Termination, if any, or payment in lieu of notice that is given or ought to have been given, pursuant to any employment or similar agreement between the Participant and the Service Recipient in effect at the time of such Termination or applicable law, that follows or is in respect of a period after the last date of a Participant's actual and active employment with the Service Recipient will be considered as extending the Participant's period of employment for purposes of determining the date of Termination.

(i) Government and Other Regulations.

(i) The obligation of the Partnership to settle Awards in Class B Units or other consideration shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Partnership shall be under no obligation to offer to sell or to sell, and shall be prohibited from offering to sell or selling, any Class B Units pursuant to an Award unless such units have been properly registered for sale pursuant to the Securities Act with the Securities and Exchange Commission or unless the Partnership has received an opinion of counsel (if the Partnership has requested such an opinion), satisfactory to the Partnership, that such units may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Partnership shall be under no obligation to register for sale under the Securities Act any of the Class B Units to be offered or sold under the Plan. The Board shall have the authority to provide that all Class B Units or other securities of any member of the Partnership Group issued under the Plan shall be subject to such stop transfer orders and other restrictions as the Partnership may deem advisable under the Plan, the applicable Award Agreement, the Federal securities laws, or the rules, regulations and other requirements of the Securities and Exchange Commission, any securities exchange, or inter-dealer quotation system on which the securities of the Partnership are listed or quoted and any other applicable Federal, state, local, or non-U.S. laws, rules, regulations, and other requirements, the Partnership may cause a legend or legends to be put on certificates representing Class B Units or other securities of any member of the Partnership Group issued under the Plan to make appropriate reference to such restrictions or may cause such Class B Units or other securities of any member of the Partnership Group issued under the Plan in book-entry form to be held subject to the Partnership's instructions or subject to appropriate stop transfer orders. Notwithstanding any provision in the Plan to the contrary, the Board reserves the right to add any additional terms or provisions to any Award granted under the Plan that the Board in its sole discretion deems necessary or advisable in order that such Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject.

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(ii) The Board may cancel an Award or any portion thereof if it determines, in its sole discretion, that legal or contractual restrictions and/or blockage and/or other market considerations would make the Partnership's issuance of Class B Units to the Participant and/or the Participant's acquisition of Class B Units from the Partnership, illegal, impracticable, or inadvisable. If the Board determines to cancel all or any portion of an Award in accordance with the foregoing, the Partnership shall, provide the Participant with a cash payment or equity subject to deferred vesting and delivery consistent with the vesting restrictions applicable to such Award.

(j) Payments to Persons Other Than Participants. If the Partnership shall find that any Person to whom any amount is payable under the Plan is unable to care for the Participant's affairs because of illness or accident, or is a minor, or has died, then any payment due to such Person or the Participant's estate (unless a prior claim therefor has been made by a duly appointed legal representative) may, if the Board so directs the Partnership, be paid to the Participant's spouse, child, relative, an institution maintaining or having custody of such Person, or any other person deemed by the Partnership to be a proper recipient on behalf of such Person otherwise entitled to payment. Any such payment shall be a complete discharge of the liability of the Board and the Partnership therefor.

(k) Nonexclusivity of the Plan. The adoption of the Plan by the Board shall not be construed as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of equity awards otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

(l) No Trust or Fund Created. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between any member of the Partnership Group, on the one hand, and a Participant or other Person, on the other hand. No provision of the Plan or any Award shall require the Partnership, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Partnership be obligated to maintain separate bank accounts, books, records, or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Partnership, except that insofar as they may have become entitled to payment of additional compensation by performance of services, they shall have the same rights as other service providers under general law.

(m) Reliance on Reports. Each member of the Board shall be fully justified in acting or failing to act, as the case may be, and shall not be liable for having so acted or failed to act in good faith, in reliance upon any report made by the independent public accountant of any member of the Partnership Group and/or any other information furnished in connection with the Plan by any agent of the Partnership or the Board.

(n) Relationship to Other Benefits. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance, or other benefit plan of the Partnership except as otherwise specifically provided in such other plan or as required by applicable law.

(o) Governing Law. The Plan shall be governed by and construed in accordance with the internal laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof. EACH PARTICIPANT WHO ACCEPTS AN AWARD IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY SUIT, ACTION, OR OTHER PROCEEDING INSTITUTED BY OR AGAINST SUCH PARTICIPANT IN RESPECT OF THE PARTICIPANT'S OR HOLDER'S, AS APPLICABLE, RIGHTS OR OBLIGATIONS HEREUNDER.

(p) Severability. If any provision of the Plan or any Award or Award Agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Board, materially altering the intent of the Plan or the Award, such provision shall be construed or deemed stricken as to such jurisdiction, Person, or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

(q) Obligations Binding on Successors. The obligations of the Partnership under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation, or other reorganization of the Partnership, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Partnership.

(r) 409A of the Code.

(i) Notwithstanding any provision of the Plan to the contrary, it is intended that the provisions of the Plan comply with Section 409A of the Code, and all provisions of the Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Each Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of such Participant in connection with the Plan (including any taxes and penalties under Section 409A of the Code), and neither the Service Recipient nor any other member of the Partnership Group shall have any obligation to indemnify or otherwise hold such Participant (or any beneficiary) harmless from any or all of such taxes or penalties. With respect to any Award that is considered “deferred compensation” subject to Section 409A of the Code, references in the Plan to “termination of employment” (and substantially similar phrases) shall mean “separation from service” within the meaning of Section 409A of the Code. For purposes of Section 409A of the Code, each of the payments that may be made in respect of any Award granted under the Plan is designated as a separate payment.

(ii) Notwithstanding anything in the Plan to the contrary, if a Participant is a “specified employee” within the meaning of Section 409A(a)(2)(B)(i) of the Code, no payments in respect of any Awards that are “deferred compensation” subject to Section 409A of the Code and which would otherwise be payable upon the Participant’s “separation from service” (as defined in Section 409A of the Code) shall be made to such Participant prior to the date that is six (6) months after the date of such Participant’s “separation from service” or, if earlier, the date of the Participant’s death. Following any applicable six (6)-month delay, all such delayed payments will be paid in a single lump sum on the earliest date permitted under Section 409A of the Code that is also a business day.

(iii) Unless otherwise provided by the Board in an Award Agreement or otherwise, in the event that the timing of payments in respect of any Award (that would otherwise be considered “deferred compensation” subject to Section 409A of the Code) would be accelerated upon the occurrence of (A) a Change of Control, no such acceleration shall be permitted unless the event giving rise to the Change of Control satisfies the definition of a change in the ownership or effective control of a corporation or a change in the ownership of a substantial portion of the assets of a corporation pursuant to Section 409A of the Code or (B) a Disability, no such acceleration shall be permitted unless the Disability also satisfies the definition of “Disability” pursuant to Section 409A of the Code.

(s) Clawback/Repayment. All Awards shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board and as in effect from time to time, and (ii) applicable law. Further, to the extent that the Participant receives any amount in excess of the amount that the Participant should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Participant shall be required to repay any such excess amount to the Partnership.

(t) Expenses; Titles and Headings. The expenses of administering the Plan shall be borne by the Partnership Group. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

**APPENDIX A**  
**Definitions**

- (a) "Award" means any Class B Units or Phantom Units granted under the Plan.
- (b) "Award Agreement" means the document or documents by which each Award is evidenced.
- (c) "Board" means the GP Board.

(d) "Cause" means, as to any Participant, unless the applicable Award Agreement states otherwise, (i) "Cause", as defined in any employment, consulting or similar agreement between the Participant and the Service Recipient in effect at the time of the Participant's Termination, or (ii) in the absence of any such employment, consulting or similar agreement (or the absence of any definition of "Cause" contained therein), the Participant's: (A) willful neglect in the performance of the Participant's duties for the Service Recipient or willful or repeated failure or refusal to perform such duties; (B) engagement in conduct in connection with the Participant's employment or services with the Service Recipient, which results, or could reasonably be expected to result in, material harm to the business or reputation of the Service Recipient or any other member of the Partnership Group; (C) conviction of, or plea of guilty or no contest to, (I) any felony or (II) any other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Service Recipient or any other member of the Partnership Group; (D) material violation of the written policies of the Service Recipient, including but not limited to those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Service Recipient; (E) fraud or misappropriation, embezzlement, or misuse of funds or property belonging to the Service Recipient or any other member of the Partnership Group; (F) act of personal dishonesty that involves personal profit in connection with the Participant's employment or services to the Service Recipient; or (G) breach of any restrictive covenants applicable to the Participant as a result of any agreement with any member of the Partnership Group; *provided*, that in any case, a Participant's resignation after an event that would be grounds for a Termination for Cause will be treated as a Termination for Cause.

(e) "Chief Executive Officer" means the Chief Executive Officer of Kodiak Gas Services, LLC, the primary operating subsidiary of the Partnership Group.

(f) "Date of Grant" means the date on which the granting of an Award is authorized, or such other date as may be specified in such authorization.

(g) "Disability" means, as to any Participant, unless the applicable Award Agreement states otherwise, (i) "Disability", as defined in any employment, consulting or similar agreement between the Participant and the Service Recipient in effect at the time of such Termination, or (ii) in the absence of any such employment, consulting or similar agreement (or the absence of any definition of "Disability" contained therein), a condition entitling the Participant to receive benefits under a long-term disability plan of the Service Recipient or any other member of the Partnership Group in which such Participant is eligible to participate, or, in the absence of such a plan, the complete and permanent inability of the Participant by reason of illness or accident to perform the duties of the occupation at which the Participant was employed or served when such disability commenced. Any question as to the existence, extent, or potentiality of Participant's Disability upon which a Participant and the Service recipient cannot agree shall be determined by a qualified, independent physician mutually selected by the Service Recipient and the Participant (or Participant's representative).

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(h) “Effective Date” means February 8, 2019.

(i) “Eligible Person” means any: (i) individual employed by any member of the Partnership Group; *provided, however,* that no such employee covered by a collective bargaining agreement shall be an Eligible Person unless and to the extent that such eligibility is set forth in such collective bargaining agreement or in an agreement or instrument relating thereto; (ii) director or officer of any member of the Partnership Group; or (iii) consultant, advisor or other service provided to any member of the Partnership Group who may be offered securities registrable pursuant to a registration statement on Form S-8 under the Securities Act.

(j) “Participant” means an Eligible Person who has been selected by the Board to participate in the Plan and to receive an Award pursuant to the Plan.

(k) “Partnership” means Frontier TopCo Partnership, L.P., a Delaware limited partnership, and any successor thereto.

(l) “Partnership Agreement” means the Amended and Restated Limited Partnership Agreement of the Partnership, dated as of February 8, 2019, as may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

(m) “Partnership Group” means, collectively, the Partnership and any of its direct and indirect subsidiaries.

(n) “Plan” means this Frontier TopCo Partnership, L.P. 2019 Class B Unit Incentive Plan, as amended and/or restated from time to time.

(o) “Plan Unit Reserve” has the meaning given to such term in Section 5(b) of the Plan.

(p) “Service Recipient” means, with respect to a Participant holding a given Award, the member of the Partnership Group by which the original recipient of such Award is, or following a Termination was most recently, principally employed or to which such original recipient provides, or following a Termination was most recently providing, services, as applicable.

(q) “Termination” means the termination of a Participant’s employment or services, as applicable, with the Service Recipient for any reason.

Appendix A

SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE SUCH TERMS ARE BOTH NOT MATERIAL AND ARE THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. THESE REDACTED TERMS HAVE BEEN MARKED IN THIS EXHIBIT WITH SIX ASTERISKS [\*\*\*\*\*].

CLASS B UNIT AWARD AGREEMENT  
UNDER THE  
FRONTIER TOPCO PARTNERSHIP, L.P.  
2019 CLASS B UNIT INCENTIVE PLAN

Pursuant to the terms and conditions of the Frontier TopCo Partnership, L.P. 2019 Class B Unit Incentive Plan (as it may be amended and/or restated from time to time, the “Plan”) and this Class B Unit Award Agreement (this “Award Agreement”), the Partnership hereby grants to the Participant set forth on the signature page hereto a number of Class B Units set forth below (the “Award”). The Award shall be granted as of [●], 2022 (the “Date of Grant”). Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan, or if not defined therein, in the Partnership Agreement.

1. Grant of Class B Units. The Partnership hereby grants to the Participant, effective as of the Date of Grant, [●] Class B Units, subject to the terms and conditions of the Plan and this Award Agreement. The Distribution Threshold applicable to the Time Vested Units (as defined below) is equal to \$[●], and the Distribution Threshold applicable to the Performance Vested Units (as defined below) is equal to \$0.00. The Time Vested Units and Performance Vested Units are hereby designated as Catch-Up Units and, in accordance with Section 7.2(d) of the Partnership Agreement, are hereby assigned a Catch-Up Amount equal to \$[●] and \$[●], respectively.

2. Vesting. Class B Units granted hereunder shall vest as follows:

(a) Time Vested Units. With respect to twenty five percent (25%) of the Class B Units subject to the Award (the “Time Vested Units”), subject to the Participant not having undergone a Termination prior to each applicable vesting date, twenty percent (20%) of such Time Vested Units shall vest on each anniversary of the Vesting Commencement Date (such that in the ordinary course, assuming no Termination, the Time Vested Units will fully vest on the fifth (5<sup>th</sup>) anniversary of the Vesting Commencement Date) (each such anniversary, a “Time Vesting Date”); *provided*, that (i) upon a Change of Control prior to the Participant’s Termination, all unvested Time Vested Units that then remain outstanding will vest in full, and (ii) upon a Qualifying Termination, a number of Time Vested Units shall vest equal to the number of Time Vested Units that would otherwise have vested on the next Time Vesting Date but for such Termination; *provided, further*, that if such Qualifying Termination occurs within the one (1) year period immediately following an Other Corporate Transaction, all unvested Time Vested Units that then remain outstanding will vest in full as of such Qualifying Termination.

(b) Performance Vested Units.

(i) With respect to the remaining seventy five percent (75%) of the Class B Units subject to the Award (the “Performance Vested Units”), such Performance Vested Units shall be eligible to vest upon any Measurement Date, subject to the Participant



not having undergone a Termination prior to such Measurement Date, based on the achievement of the following performance hurdles (the “Performance Hurdles”):

- 11.11% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times;
- An additional 11.11% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times;
- An additional 33.33% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times;
- An additional 33.33% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times; and
- The remaining 11.12% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times.

Performance Vested Units that do not vest prior to or upon the Final Measurement Date will be forfeited upon such date. In connection with any Measurement Date, the Chief Executive Officer of Kodiak Gas Service, LLC will be provided a summary illustrating the calculation of Sponsor MOIC upon such Measurement Date, and, if applicable, the resulting percentage of Performance Vested Units that vested upon such Measurement Date.

(c) Definitions. For purposes hereof, the following definitions shall apply:

- (i) [“Employment Agreement” means [●].]
- (ii) “Final Measurement Date” means the earlier to occur of (A) a Change of Control or (B) following an Initial Public Offering, the date upon which the EQT Investors no longer hold equity securities of the Partnership (or the IPO Corporation, if applicable) representing more than ten percent (10%) of the outstanding equity securities of such entity.
- (iii) “Good Reason” will have the meaning set forth in the Employment Agreement (and any termination with Good Reason shall remain subject to any notice and cure periods set forth therein). If the Participant is not a party to an Employment Agreement that does defines Good Reason (or a term of similar import), Good Reason shall not be applicable under this Award Agreement.
- (iv) “Marketable Securities” means securities that (A) are traded on the New York Stock Exchange, the NASDAQ Stock Market or any similar national securities

exchange, or any successor thereto, and (B) are, at the time of receipt, registered pursuant to an effective registration statement filed under the Securities Act and will remain registered until such time as such securities can be sold by the holder thereof pursuant to Rule 144; *provided*, that Marketable Securities shall not include any securities of the Partnership (or the IPO Corporation, if applicable).

(v) “Measurement Date” means (A) prior to the Final Measurement Date, each date upon which the EQT Investors receives Sponsor Cash Amounts, or (B) the Final Measurement Date.

(vi) “Other Corporate Transaction” means (A) any merger, reverse merger or similar corporate transaction that does not constitute a Change of Control; or (B) an Initial Public Offering.

(vii) “Qualifying Termination” means a termination of the Participant’s employment by the Service Recipient without Cause or by the Participant with Good Reason (if applicable), or by reason of the Participant’s death or Disability.

(viii) “Sponsor Cash Amounts” means, as of any Measurement Date, without duplication, the cumulative amount of all cash, cash equivalents or Marketable Securities (including as a result of dividends, distributions, or receipt of proceeds) actually received by the EQT Investors on or before such Measurement Date with respect to or in exchange for equity securities of the Partnership, net of any unreimbursed transaction expenses incurred directly or indirectly by the Sponsor on or before such Measurement Date; *provided, however*, with respect to a Final Measurement Date, Sponsor Cash Amounts will also include the fair market value of any proceeds received by the EQT Investors prior to or in connection with such Final Measurement Date (and not otherwise previously included) that are not cash, cash equivalents or Marketable Securities and the fair market value of any remaining equity securities of the Partnership retained by the EQT Investors following such Final Measurement Date based on (A) the applicable transaction price (and valuing, in good faith, any contingent payments, if applicable), in the case of a Final Measurement Date resulting from prong (i) of the definition thereof, and (B) based on the closing price of such securities on the trading date immediately prior to such Final Measurement Date, in the case of a Final Measurement Date resulting from prong (ii) of the definition thereof.

(ix) “Sponsor Cash Invested” means, as of any Measurement Date, without duplication, all cash invested by the EQT Investors in equity securities of the Partnership on or before such Measurement Date, including any additional capital invested in the Partnership by the EQT Investors following the Closing, and through the applicable Measurement Date.

(x) “Sponsor MOIC” means, as of any Measurement Date, the quotient obtained by dividing (A) Sponsor Cash Amounts by (B) Sponsor Cash Invested, and shall be determined net of any equity-based compensation that vests in connection with such Measurement Date, and shall be determined net of any equity-based compensation that vests in connection with such Measurement Date.

(xi) "Vesting Commencement Date" means [●].

3. Termination.

(a) Upon any Termination, all then unvested Class B Units (determined after taking into account any acceleration described above upon a Qualifying Termination) shall be forfeited for no consideration as of the date of such Termination; *provided*, that in the event of the Participant's Qualified Termination, (i) the Performance Vested Units shall remain outstanding and eligible to vest for a period of nine (9) months following the Participant's Qualifying Termination date to the extent a Measurement Date occurs within such post-termination period (such period, the "Tail Period"), subject to achievement of the Performance Hurdles, and (ii) all unvested Time Vested Units shall remain outstanding and eligible to vest during the Tail Period and shall become vested solely upon a Change of Control during the Tail Period. Time Vested Units and Performance Vested Units that do not vest prior to expiration of the Tail Period will be forfeited upon such date (or, if earlier, upon the Final Measurement Date to the extent they do not vest in connection therewith); *provided, however*, that if, prior to the end of the Tail Period, the Company enters into a definitive agreement that, if consummated, would result in a Change of Control, the Tail Period shall be extended only with respect to such Change of Control through the date of consummation of such Change of Control or the termination of such definitive agreement without consummation.

(b) In accordance with Section 3.1(b)(i) of the Partnership Agreement, upon any Termination, all vested Class B Units shall automatically convert into Class C Units, via a Class C Unit Exchange, subject to any terms, conditions and required conversion delay periods as set forth in the Partnership Agreement. Further, if any Class B Units become vested during the Tail Period, such then-vested Awarded Units shall, upon vesting (and the end of any required conversion delay period) convert to Class C Units.

4. Additional Forfeitures. Notwithstanding anything contained in the Plan or this Award Agreement to the contrary, all Class B Units granted in connection with the Award, whether or not then vested, as well as any Class C Units received in connection with any conversion contemplated in Section 3(b) above, will be immediately forfeited upon (a) a Termination of the Participant by the Service Recipient for Cause or (b) any Restrictive Covenant Breach. For purposes hereof, a "Restrictive Covenant Breach" shall mean the Participant's material breach of any restrictive covenants that the Participant is subject to as a result of any agreement with any member of the Partnership Group, including, without limitation, [the Employment Agreement] / [the Restrictive Covenant Agreement]. In addition, to the extent that the Participant (or other Permitted Transferee) has received, prior to the date of the Termination for Cause or Restrictive Covenant Breach, as applicable, any proceeds in respect of the Class B Units granted hereunder (or any Class C Units received in connection with any conversion contemplated in Section 3(b) above), the Participant (and any other Transferee) shall promptly repay to the Partnership any such proceeds; *provided, however*, in no event shall the Participant (or any other Transferee) be required to repay or otherwise remit any amounts previously distributed to the Participant (or any other Transferee) under the Partnership Agreement as Tax Distributions thereunder.

5. Restrictive Covenants.

(a) [The Participant hereby reaffirms the covenants contained in Section [9] of the Employment Agreement, the provisions of which are hereby incorporated by reference.] / [The Participant acknowledges and agrees that as a condition of receipt of the grant of the Class B Units under the Award, the Participant shall execute and deliver to the Partnership a Restrictive Covenant Agreement in the form set forth on Exhibit A (the "Restrictive Covenant Agreement"), the provisions of which are hereby incorporated by reference.]

(b) The Participant acknowledges that the Participant has read and understands such applicable covenants, including, specifically, the scope and duration thereof, and acknowledges and agrees that the grant of the Class B Units under this Award Agreement is being provided as consideration of the Participant's continued compliance with such applicable covenants, and but for such agreement, the Partnership would not grant the Participant the Class B Units under this Award Agreement.

6. Rights as a Member.

(a) The rights, privileges, limitations, and obligations related to the Award are as set forth in the Plan and the Partnership Agreement. In addition, the Award shall be subject to all the terms and conditions set forth in the Plan and the Partnership Agreement. As a condition to the issuance of the Class B Units pursuant to the Award, and by executing this Award Agreement, the Participant is required to execute an Addendum Agreement to the Partnership Agreement (which has been provided contemporaneously with this Award Agreement) agreeing to be bound by the terms of the Partnership Agreement as set forth therein, to the extent such Participant is not already a direct signatory to the Partnership Agreement or otherwise bound by an Addendum Agreement. Distributions in respect of the Class B Units and, if applicable, Class C Units, shall be made to the Participant in accordance with the provisions of the Partnership Agreement.

(b) Notwithstanding the Participant's status as a member of the Partnership, the Participant shall have no right, solely by virtue of holding a Class B Unit or, if applicable, Class C Unit, to (i) examine the books and records of or any other information of the Partnership or (ii) obtain any information about the identities of the other members of the Partnership (or of the size or nature of such other members' interests in the Partnership).

7. Transferability. The Class B Units and, if applicable, the Class C Units received upon any conversion of Class B Units via the Class C Unit Exchange are subject to the transfer restrictions set forth in the Partnership Agreement. The terms of the Award shall be binding upon the executors, administrators, heirs, successors, and assigns of the Participant. Any attempt to effect a Transfer of any Class B Units or, if applicable, the Class C Units received upon any conversion of Class B Units via the Class C Unit Exchange not in compliance with the Partnership Agreement shall be null, void, and of no effect, and shall not be effected upon the records of the Partnership.

8. Investment Intent; Other Representations of Participant.

(a) Investment Intent. The Participant hereby represents and warrants that the Class B Units will be held for investment purposes and are not being received with a view to

<sup>1</sup> To confirm which applies here.

distribution thereof, and covenants and agrees to make such other reasonable and customary representations as requested by the Partnership regarding matters relevant to compliance with applicable securities laws as are deemed necessary by counsel to the Partnership.

(b) No Reliance on the Partnership. In making his or her investment decision with respect to the receipt of the Class B Units, the Participant has not relied upon the Partnership or any of its affiliates, or any representative thereof for any advice of any sort, including, but not limited to, tax or securities law advice.

9. Section 83(b) Election. As a condition subsequent to the issuance of the Class B Units pursuant to this Award Agreement, the Participant shall execute and deliver to each of the Partnership, the Service Recipient, and the Internal Revenue Service (the "IRS") in the form set forth on Exhibit B, a timely, valid election under Section 83(b) of the Code (the "83(b) Election"). The Participant hereby acknowledges that (a) the Partnership has not provided, and is not hereby providing, the Participant with tax advice regarding the 83(b) Election and has urged the Participant to consult the Participant's own tax advisor with respect to the income taxation consequences thereof, and (b) the Partnership has not advised the Participant to rely on any determination by it or its representatives as to the fair market value specified in the 83(b) Election and will have no liability to the Participant if the actual fair market value of the Class B Units on the date hereof exceeds the amount specified in the 83(b) Election.

10. Participant. Whenever the word "Participant" is used in any provision of this Award Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the Person or Persons to whom the Class B Units may be transferred by will or by the laws of descent and distribution, the word "Participant" shall be deemed to include such Person or Persons.

11. Notice. Every notice or other communication relating to this Award Agreement between the Partnership and the Participant shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided; *provided*, that, unless and until some other address be so designated, all notices or communications by the Participant to the Partnership shall be mailed or delivered to the Partnership at its principal executive office, to the attention of the Secretary of the General Partner of the Partnership, and all notices or communications by the Partnership to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Partnership's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted, or sent in accordance with any reasonable procedures established by such third-party plan administrator and communicated to the Participant from time to time.

12. No Right to Continued Employment or Service. This Award Agreement does not confer upon the Participant any right to be retained in the employ or service of any member of the Partnership Group.

13. Binding Effect. This Award Agreement shall be binding upon the heirs, executors, administrators, and successors of the parties hereto.

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14. Waiver and Amendments. Except as otherwise set forth in the Plan, any waiver, alteration, amendment, or modification of any of the terms of this Award Agreement shall be valid only if made in writing and signed by the parties hereto; *provided*, that any such waiver, alteration, amendment, or modification is consented to on the Partnership's behalf by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that such waiver is to be construed as a continuing waiver.

15. Governing Law. This Award Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof.

16. Awarded Units Subject to Partnership Agreement and Plan. By executing this Award Agreement, the Participant agrees and acknowledges that: (a) the Participant has received and read a copy of the Plan and the Partnership Agreement, and (b) the Award is subject to the Plan and the Partnership Agreement, the terms and provisions of which are hereby incorporated herein by reference. In the event of any conflict between any term or provision contained herein and in the Plan, the terms of the Plan shall govern and prevail. In the event of any conflict between any term or provision contained herein or in the Plan, on the one hand, and the Partnership Agreement, on the other hand, the terms of the Partnership Agreement shall govern and prevail.

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THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS CLASS B UNIT AWARD AGREEMENT, THE PLAN AND THE PARTNERSHIP AGREEMENT, AND, AS AN EXPRESS CONDITION TO THE GRANT OF OPTIONS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS CLASS B UNIT AWARD AGREEMENT, THE PLAN AND THE PARTNERSHIP AGREEMENT.

FRONTIER TOPCO PARTNERSHIP, L.P.

PARTICIPANT

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By:  
Title:

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Name: [●]

*[Signature Page to Class B Unit Award Agreement]*

**CONFIDENTIALITY, NON-COMPETITION, NON-SOLICITATION AND NON-DISPARAGEMENT AGREEMENT**

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**PROTECTIVE ELECTION TO INCLUDE PARTNERSHIP  
INTEREST IN GROSS INCOME PURSUANT TO  
SECTION 83(b) OF THE INTERNAL REVENUE CODE**

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SPECIFIC TERMS IN THIS EXHIBIT HAVE BEEN REDACTED BECAUSE SUCH TERMS ARE BOTH NOT MATERIAL AND ARE THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. THESE REDACTED TERMS HAVE BEEN MARKED IN THIS EXHIBIT WITH SIX ASTERISKS [\*\*\*\*\*].

CLASS B UNIT AWARD AGREEMENT  
UNDER THE  
FRONTIER TOPCO PARTNERSHIP, L.P.  
2019 CLASS B UNIT INCENTIVE PLAN

Pursuant to the terms and conditions of the Frontier TopCo Partnership, L.P. 2019 Class B Unit Incentive Plan (as it may be amended and/or restated from time to time, the “Plan”) and this Class B Unit Award Agreement (this “Award Agreement”), the Partnership hereby grants to the Participant set forth on the signature page hereto a number of Class B Units set forth below (the “Award”). The Award shall be granted as of [●], 2021 (the “Date of Grant”). Capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Plan, or if not defined therein, in the Partnership Agreement.

1. Grant of Class B Units. The Partnership hereby grants to the Participant, effective as of the Date of Grant, [●] Class B Units, subject to the terms and conditions of the Plan and this Award Agreement. The Distribution Threshold applicable to such Class B Units is equal to \$0.

2. Vesting. Class B Units granted hereunder shall vest as follows:

(a) Performance Vested Units.

(i) With respect to the remaining seventy five percent (100%) of the Class B Units subject to the Award (the “Performance Vested Units”), such Performance Vested Units shall be eligible to vest upon any Measurement Date, subject to the Participant not having undergone a Termination prior to such Measurement Date, based on the achievement of the following performance hurdles (the “Performance Hurdles”):

- 30% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times;
- An additional 40% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times; and
- An additional 30% of the Performance Vested Units will vest upon any Measurement Date that results in the attainment of a Sponsor MOIC of at least [\*\*\*\*\*] times.

Performance Vested Units that do not vest prior to or upon the Final Measurement Date will be forfeited upon such date.

(b) Definitions. For purposes hereof, the following definitions shall apply:

(i) [“Employment Agreement”] means [•].]

(ii) “Final Measurement Date” means the earlier to occur of (i) a Change of Control or (ii) following an Initial Public Offering, the date upon which the EQT Investors no longer hold equity securities of the Partnership (or the IPO Corporation, if applicable) representing more than ten percent (10%) of the outstanding equity securities of such entity.

(iii) “Marketable Securities” means securities that (i) are traded on the New York Stock Exchange, the NASDAQ Stock Market or any similar national securities exchange, or any successor thereto, and (ii) are, at the time of receipt, registered pursuant to an effective registration statement filed under the Securities Act and will remain registered until such time as such securities can be sold by the holder thereof pursuant to Rule 144; *provided*, that Marketable Securities shall not include any securities of the Partnership (or the IPO Corporation, if applicable).

(iv) “Measurement Date” means (i) prior to the Final Measurement Date, each date upon which the EQT Investors receives Sponsor Cash Amounts, or (ii) the Final Measurement Date.

(v) “Other Corporate Transaction” means (i) any merger, reverse merger or similar corporate transaction that does not constitute a Change of Control; or (ii) an Initial Public Offering.

(vi) “Qualifying Termination” means a termination of the Participant’s employment by the Service Recipient without Cause, or by reason of the Participant’s death or Disability.

(vii) “Sponsor Cash Amounts” means, as of any Measurement Date, without duplication, the cumulative amount of all cash, cash equivalents or Marketable Securities (including as a result of dividends, distributions, or receipt of proceeds) actually received by the EQT Investors on or before such Measurement Date with respect to or in exchange for equity securities of the Partnership, net of any unreimbursed transaction expenses incurred directly or indirectly by the Sponsor on or before such Measurement Date; *provided, however*, with respect to a Final Measurement Date, Sponsor Cash Amounts will also include the fair market value of any proceeds received by the EQT Investors prior to or in connection with such Final Measurement Date (and not otherwise previously included) that are not cash, cash equivalents or Marketable Securities and the fair market value of any remaining equity securities of the Partnership retained by the EQT Investors following such Final Measurement Date based on (A) the applicable transaction price (and valuing, in good faith, any contingent payments, if applicable), in the case of a Final Measurement Date resulting from prong (i) of the definition thereof, and (B) based on the closing price of such securities on the trading date immediately prior to such Final Measurement Date, in the case of a Final Measurement Date resulting from prong (ii) of the definition thereof.

(viii) “Sponsor Cash Invested” means, as of any Measurement Date, without duplication, all cash invested by the EQT Investors in equity securities of the Partnership on or before such Measurement Date, including any additional capital invested in the Partnership by the EQT Investors following the Closing and through the applicable Measurement Date.

(ix) “Sponsor MOIC” means, as of any Measurement Date, the quotient obtained by dividing (i) Sponsor Cash Amounts by (ii) Sponsor Cash Invested, and shall be determined net of any equity-based compensation that vests in connection with such Measurement Date, and shall be determined net of any equity-based compensation that vests in connection with such Measurement Date.

3. Termination.

(a) Upon any Termination, all then unvested Class B Units (determined after taking into account any acceleration described above upon a Qualifying Termination) shall be forfeited for no consideration as of the date of such Termination; *provided*, that in the event of the Participant’s Qualified Termination, (i) the Performance Vested Units shall remain outstanding and eligible to vest for a period of nine (9) months following the Participant’s Qualifying Termination date to the extent a Measurement Date occurs within such post-termination period (such period, the “Tail Period”), subject to achievement of the Performance Hurdles; *provided, however*, that if, prior to the end of the Tail Period, the Company enters into a definitive agreement that, if consummated, would result in a Change of Control, the Tail Period shall be extended only with respect to such Change of Control through the date of consummation of such Change of Control or the termination of such definitive agreement without consummation.

(b) In accordance with Section 3.1(b)(i) of the Partnership Agreement, upon any Termination, all vested Class B Units shall automatically convert into Class C Units, via a Class C Unit Exchange, subject to any terms, conditions and required conversion delay periods as set forth in the Partnership Agreement. Further, if any Class B Units become vested during the Tail Period, such then-vested Awarded Units shall, upon vesting (and the end of any required conversion delay period) convert to Class C Units.

4. Additional Forfeitures. Notwithstanding anything contained in the Plan or this Award Agreement to the contrary, all Class B Units granted in connection with the Award, whether or not then vested, as well as any Class C Units received in connection with any conversion contemplated in Section 3(b) above, will be immediately forfeited upon (a) a Termination of the Participant by the Service Recipient for Cause, or (b) any Restrictive Covenant Breach. For purposes hereof, a “Restrictive Covenant Breach” shall mean the Participant’s material breach of any restrictive covenants that the Participant is subject to as a result of any agreement with any member of the Partnership Group, including, without limitation, [the Employment Agreement] / [the Restrictive Covenant Agreement]. In addition, to the extent that the Participant (or other Permitted Transferee) has received, prior to the date of the Termination for Cause or Restrictive Covenant Breach, as applicable, any proceeds in respect of the Class B Units granted hereunder (or any Class C Units received in connection with any conversion contemplated in Section 3(b) above), the Participant (and any other Transferee) shall promptly repay to the Partnership any such proceeds; *provided, however*, in no event shall the Participant (or any other Transferee) be required to repay or otherwise remit any amounts previously distributed to the Participant (or any other Transferee) under the Partnership Agreement as Tax Distributions thereunder.

5. Restrictive Covenants.

(a) [The Participant hereby reaffirms the covenants contained in Section [9] of the Employment Agreement, the provisions of which are hereby incorporated by reference.] / [The Participant acknowledges and agrees that as a condition of receipt of the grant of the Class B Units under the Award, the Participant shall execute and deliver to the Partnership a Restrictive Covenant Agreement in the form set forth on Exhibit A (the “Restrictive Covenant Agreement”), the provisions of which are hereby incorporated by reference.]

(b) The Participant acknowledges that the Participant has read and understands such applicable covenants, including, specifically, the scope and duration thereof, and acknowledges and agrees that the grant of the Class B Units under this Award Agreement is being provided as consideration of the Participant’s continued compliance with such applicable covenants, and but for such agreement, the Partnership would not grant the Participant the Class B Units under this Award Agreement.

6. Rights as a Member.

(a) The rights, privileges, limitations, and obligations related to the Award are as set forth in the Plan and the Partnership Agreement. In addition, the Award shall be subject to all the terms and conditions set forth in the Plan and the Partnership Agreement. As a condition to the issuance of the Class B Units pursuant to the Award, and by executing this Award Agreement, the Participant is required to execute an Addendum Agreement to the Partnership Agreement (which has been provided contemporaneously with this Award Agreement) agreeing to be bound by the terms of the Partnership Agreement as set forth therein, to the extent such Participant is not already a direct signatory to the Partnership Agreement or otherwise bound by a joinder agreement. Distributions in respect of the Class B Units and, if applicable, Class C Units, shall be made to the Participant in accordance with the provisions of the Partnership Agreement.

(b) Notwithstanding the Participant's status as a member of the Partnership, the Participant shall have no right, solely by virtue of holding a Class B Unit or, if applicable, Class C Unit, to (i) examine the books and records of or any other information of the Partnership or (ii) obtain any information about the identities of the other members of the Partnership (or of the size or nature of such other members' interests in the Partnership).

7. Transferability. The Class B Units and, if applicable, the Class C Units received upon any conversion of Class B Units via the Class C Unit Exchange are subject to the transfer restrictions set forth in the Partnership Agreement. The terms of the Award shall be binding upon the executors, administrators, heirs, successors, and assigns of the Participant. Any attempt to effect a Transfer of any Class B Units or, if applicable, the Class C Units received upon any conversion of Class B Units via the Class C Unit Exchange not in compliance with the Partnership Agreement shall be null, void, and of no effect, and shall not be effected upon the records of the Partnership.

8. Investment Intent: Other Representations of Participant.

(a) Investment Intent. The Participant hereby represents and warrants that the Class B Units will be held for investment purposes and are not being received with a view to distribution thereof, and covenants and agrees to make such other reasonable and customary representations as requested by the Partnership regarding matters relevant to compliance with applicable securities laws as are deemed necessary by counsel to the Partnership.

(b) No Reliance on the Partnership. In making his or her investment decision with respect to the receipt of the Class B Units, the Participant has not relied upon the Partnership or any of its affiliates, or any representative thereof for any advice of any sort, including, but not limited to, tax or securities law advice.

9. Section 83(b) Election. As a condition subsequent to the issuance of the Class B Units pursuant to this Award Agreement, the Participant shall execute and deliver to each of the Partnership, the Service Recipient, and the Internal Revenue Service (the "IRS") in the form set forth on Exhibit B, a timely, valid election under Section 83(b) of the Code (the "83(b) Election"). The Participant hereby acknowledges that (a) the Partnership has not provided, and is not hereby providing, the Participant with tax advice regarding the 83(b) Election and has urged the Participant to consult the Participant's own tax advisor with respect to the income taxation consequences thereof, and (b) the Partnership has not advised the Participant to rely on any determination by it or its representatives as to the fair market value specified in the 83(b) Election and will have no liability to the Participant if the actual fair market value of the Class B Units on the date hereof exceeds the amount specified in the 83(b) Election.

10. Participant. Whenever the word "Participant" is used in any provision of this Award Agreement under circumstances where the provision should logically be construed to apply to the executors, the administrators, or the Person or Persons to whom the Class B Units may be transferred by will or by the laws of descent and distribution, the word "Participant" shall be deemed to include such Person or Persons.

11. Notice. Every notice or other communication relating to this Award Agreement between the Partnership and the Participant shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided; *provided*, that, unless and until some other address be so designated, all notices or communications by the Participant to the Partnership shall be mailed or delivered to the Partnership at its principal executive office, to the attention of the Secretary of the General Partner of the Partnership, and all notices or communications by the Partnership to the Participant may be given to the Participant personally or may be mailed to the Participant at the Participant's last known address, as reflected in the Partnership's records. Notwithstanding the above, all notices and communications between the Participant and any third-party plan administrator shall be mailed, delivered, transmitted, or sent in accordance with any reasonable procedures established by such third-party plan administrator and communicated to the Participant from time to time.

12. No Right to Continued Employment or Service. This Award Agreement does not confer upon the Participant any right to be retained in the employ or service of any member of the Partnership Group.

13. Binding Effect. This Award Agreement shall be binding upon the heirs, executors, administrators, and successors of the parties hereto.

14. Waiver and Amendments. Except as otherwise set forth in the Plan, any waiver, alteration, amendment, or modification of any of the terms of this Award Agreement shall be valid only if made in writing and signed by the parties hereto; *provided*, that any such waiver, alteration, amendment, or modification is consented to on the Partnership's behalf by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that such waiver is to be construed as a continuing waiver.

15. Governing Law. This Award Agreement shall be construed and interpreted in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law thereof.

16. Awarded Units Subject to Partnership Agreement and Plan. By executing this Award Agreement, the Participant agrees and acknowledges that: (a) the Participant has received and read a copy of the Plan and the Partnership Agreement, and (b) the Award is subject to the Plan and the Partnership Agreement, the terms and provisions of which are hereby incorporated herein by reference. In the event of any conflict between any term or provision contained herein and in the Plan, the terms of the Plan shall govern and prevail. In the event of any conflict between any term or provision contained herein or in the Plan, on the one hand, and the Partnership Agreement, on the other hand, the terms of the Partnership Agreement shall govern and prevail.

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THE UNDERSIGNED PARTICIPANT ACKNOWLEDGES RECEIPT OF THIS CLASS B UNIT AWARD AGREEMENT, THE PLAN AND THE PARTNERSHIP AGREEMENT, AND, AS AN EXPRESS CONDITION TO THE GRANT OF OPTIONS HEREUNDER, AGREES TO BE BOUND BY THE TERMS OF THIS CLASS B UNIT AWARD AGREEMENT, THE PLAN AND THE PARTNERSHIP AGREEMENT.

FRONTIER TOPCO PARTNERSHIP, L.P.

PARTICIPANT

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By:

Title:

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Name: [●]



**CONFIDENTIALITY, NON-COMPETITION, NON-SOLICITATION AND NON-DISPARAGEMENT AGREEMENT**

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**PROTECTIVE ELECTION TO INCLUDE PARTNERSHIP  
INTEREST IN GROSS INCOME PURSUANT TO  
SECTION 83(b) OF THE INTERNAL REVENUE CODE**

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## KODIAK GAS SERVICES, INC.

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OMNIBUS INCENTIVE PLAN

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ARTICLE I  
PURPOSE

The purpose of this Kodiak Gas Services, Inc. Omnibus Incentive Plan (this "**Plan**") is to promote the success of the Company's business for the benefit of its stockholders by enabling the Company to offer Eligible Individuals cash and stock-based incentives in order to attract, retain, and reward such individuals and strengthen the mutuality of interests between such individuals and the Company's stockholders. This Plan is effective as of the date set forth in Article XIV.

ARTICLE II  
DEFINITIONS

For purposes of this Plan, the following terms shall have the following meanings:

**2.1 "Affiliate"** means a corporation or other entity controlled by, controlling, or under common control with the Company. The term "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of such Person, whether through the ownership of voting or other securities, by contract or otherwise.

**2.2 "Applicable Law"** means the requirements relating to the administration of equity-based awards and the related shares under U.S. state corporate law, U.S. federal and state securities laws, the rules of any stock exchange or quotation system on which the shares are listed or quoted, and any other applicable laws, including tax laws, of any U.S. or non-U.S. jurisdictions where Awards are, or will be, granted under this Plan.

**2.3 "Award"** means any award under this Plan of any Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Units, Performance Award, Other Stock-Based Award, or Cash Award. All Awards shall be evidenced by and subject to the terms of an Award Agreement.

**2.4 "Award Agreement"** means the written or electronic agreement, contract, certificate, or other instrument or document evidencing the terms and conditions of an individual Award. Each Award Agreement shall be subject to the terms and conditions of this Plan.

**2.5 "Board"** means the Board of Directors of the Company.

**2.6 "Cash Award"** means an Award granted to an Eligible Individual pursuant to Section 9.3 of this Plan and payable in cash at such time or times and subject to such terms and conditions as determined by the Committee in its sole discretion.

2.7 “Cause” means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant’s Termination of Service, the following: (a) in the case where there is no employment agreement, offer letter, consulting agreement, change in control agreement, or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award (or where there is such agreement in effect but it does not define “cause” (or words of like import)), the Participant’s (i) willful neglect in the performance of the Participant’s duties to the Company or willful or repeated failure or refusal to perform such duties; (ii) engagement in conduct in connection with the Participant’s employment or services for the Company, which results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or an Affiliate; (iii) conviction of, or plea of guilty or no contest to, (A) any felony or (B) any other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or an Affiliate; (iv) material violation of the written policies of the Company, including but not limited to those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company; (v) fraud or misappropriation, embezzlement, or misuse of funds or property belonging to the Company or an Affiliate; (vi) act of personal dishonesty that involves personal profit in connection with the Participant’s employment with the Company or an Affiliate; or (vii) any breach of any non-competition, non-solicitation, no-hire, or confidentiality covenant between the Participant and the Company or an Affiliate; or (b) in the case where there is an employment agreement, offer letter, consulting agreement, change in control agreement, or similar agreement in effect between the Company or an Affiliate and the Participant at the time of the grant of the Award that defines “cause” (or words of like import), “cause” as defined under such agreement; provided, however, that with regard to any agreement under which the definition of “cause” only applies on occurrence of a change in control, such definition of “cause” shall not apply until a change in control (as defined in such agreement) actually takes place and then only with regard to a termination thereafter.

2.8 “Change in Control” means and includes each of the following, unless otherwise determined by the Committee in the applicable Award Agreement or other written agreement with a Participant approved by the Committee:

(a) any Person (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company’s then outstanding securities, excluding for purposes herein, acquisitions pursuant to a Business Combination (as defined below) that does not constitute a Change in Control as defined in Section 2.8(b);

(b) a merger, reorganization, or consolidation of the Company or in which equity securities of the Company are issued (each, a **Business Combination**), other than a merger, reorganization or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its direct or indirect parent) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity (or, as applicable, a direct or indirect parent of the Company or such surviving entity)

outstanding immediately after such merger, reorganization or consolidation; provided, however, that a merger, reorganization or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person (other than those covered by the exceptions in Section 2.8(a)) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control;

(c) during the period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in Sections 2.8(a) or (b)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(d) a complete liquidation or dissolution of the Company or the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets other than the sale or disposition of all or substantially all of the assets of the Company to a Person or Persons who beneficially own, directly or indirectly, 50% or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale.

For purposes of this Section 2.8, acquisitions of securities of the Company by Frontier TopCo Partnership, L.P. or EQT Fund Management S.à r.l., any of their respective affiliates, or any investment vehicle or fund controlled by or managed by, or otherwise affiliated with Frontier TopCo Partnership, L.P. or EQT Fund Management S.à r.l. shall not constitute a Change in Control. Notwithstanding the foregoing, with respect to any Award that is characterized as "nonqualified deferred compensation" within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under this Plan for purposes of payment of such Award unless such event is also a "change in ownership," a "change in effective control," or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code.

**2.9 "Change in Control Price"** means the highest price per Share paid in any transaction related to a Change in Control as determined by the Committee in its discretion.

**2.10 "Code"** means the U.S. Internal Revenue Code of 1986, as amended from time to time. Any reference to any section of the Code shall also be a reference to any successor provision and any guidance and treasury regulation promulgated thereunder.

**2.11 "Committee"** means any committee of the Board duly authorized by the Board to administer this Plan; provided, however, that unless otherwise determined by the Board, the Committee shall consist solely of two or more members of the Board who are each (a) a "non-employee director" within the meaning of Rule 16b-3(b), and (b) "independent" under the listing standards or rules of the securities exchange upon which the Common Stock is traded, but only to the extent such independence is required in order to take the action at issue pursuant to such standards or rules. If no committee is duly authorized by the Board to administer this Plan, the term "Committee" shall be deemed to refer to the Board for all purposes under this Plan. The Board may abolish any Committee or re-vest in itself any previously delegated authority from time to time, and will retain the right to exercise the authority of the Committee to the extent consistent with Applicable Law.

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2.12 "**Common Stock**" means the common stock, \$0.01 par value per share, of the Company.

2.13 "**Company**" means Kodiak Gas Services, Inc., a Delaware corporation, and its successors by operation of law.

2.14 "**Consultant**" means any natural person who is an advisor or consultant or other service provider to the Company or any of its Affiliates.

2.15 "**Detrimental Conduct**" means, as determined by the Company, a Participant's serious misconduct or unethical behavior, including any of the following: (a) any violation by the Participant of a restrictive covenant agreement that the Participant has entered into with the Company or an Affiliate (covering, for example, confidentiality, non-competition, non-solicitation, non-disparagement, etc.); (b) any conduct by the Participant that could result in the Participant's Termination of Service for Cause; (c) the commission of a criminal act by the Participant, whether or not performed in the workplace, that subjects, or if generally known would subject, the Company or an Affiliate to public ridicule or embarrassment, or other improper or intentional conduct by the Participant causing reputational harm to the Company, an Affiliate, or a client or former client of the Company or an Affiliate; (d) the Participant's breach of a fiduciary duty owed to the Company or an Affiliate or a client or former client of the Company or an Affiliate; (e) the Participant's intentional violation, or grossly negligent disregard, of the Company's or an Affiliate's policies, rules, or procedures; or (f) the Participant taking or maintaining trading positions that result in a need to restate financial results in a subsequent reporting period or that result in a significant financial loss to the Company or an Affiliate.

2.16 "**Disability**" means, unless otherwise determined by the Committee in the applicable Award Agreement, with respect to a Participant's Termination of Service, any physical or mental disability or infirmity of a Participant that prevents the performance of the Participant's duties for a period of (a) 90 consecutive days or (b) 120 non-consecutive days during any 12-month period. Any question as to the existence, extent, or potentiality of a Participant's Disability upon which the Participant and the Company cannot agree shall be determined by a qualified, independent physician mutually selected by the Company and the Participant or the Participant's representative (which approval shall not be unreasonably withheld, delayed or conditioned). The determination of any such physician shall be final and conclusive for all purposes of this Plan.

2.17 "**Dividend Equivalent Rights**" means a right granted to a Participant under this Plan to receive the equivalent value (in cash or Shares) of dividends paid on Shares.

2.18 "**Effective Date**" means the effective date of this Plan as defined in Article XIV.

2.19 "**Eligible Employee**" means each employee of the Company or any of its Affiliates. An employee on a leave of absence may be an Eligible Employee.

2.20 "**Eligible Individual**" means an Eligible Employee, Non-Employee Director, or Consultant who is designated by the Committee in its discretion as eligible to receive Awards subject to the terms and conditions set forth herein.

2.21 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing, or superseding such section or regulation.

2.22 "**Fair Market Value**" means, for purposes of this Plan, unless otherwise required by any applicable provision of the Code or any regulations issued thereunder, as of any date and except as provided below, the last sales price reported for the Common Stock on the applicable date: (a) as reported on the principal national securities exchange in the United States on which it is then traded, listed or otherwise reported or quoted or (b) if the Common Stock is not traded, listed, or otherwise reported or quoted, the Committee shall determine in good faith the Fair Market Value in whatever manner it considers appropriate, taking into account the requirements of Section 409A of the Code. For purposes of the grant of any Award, the applicable date shall be the trading day immediately prior to the date on which the Award is granted. For purposes of the exercise of any Award, the applicable date shall be the date a notice of exercise is received by the Committee or, if not a date on which the applicable market is open, the next day that it is open. Notwithstanding the foregoing, with respect to any Award granted on the pricing date of the Company's initial public offering, the Fair Market Value shall mean the initial public offering price of a Share as set forth in the Company's final prospectus relating to its initial public offering filed with the Securities and Exchange Commission.

2.23 "**Family Member**" means "family member" as defined in Section A.1.(a)(5) of the general instructions of Form S-8.

2.24 "**Incentive Stock Option**" means any Stock Option granted to an Eligible Employee who is an employee of the Company or its Subsidiaries under this Plan and that is intended to be, and is designated as, an "Incentive Stock Option" within the meaning of Section 422 of the Code.

2.25 "**Non-Employee Director**" means a director on the Board who is not an employee of the Company.

2.26 "**Non-Qualified Stock Option**" means any Stock Option granted under this Plan that is not an Incentive Stock Option.

2.27 "**Other Stock-Based Award**" means an Award granted under Article IX of this Plan that is valued in whole or in part by reference to, or is payable in or otherwise based on, Shares, but may be settled in the form of Shares or cash.

2.28 "**Participant**" means an Eligible Individual to whom an Award has been granted pursuant to this Plan.

2.29 "**Performance Award**" means an Award granted under Article VIII of this Plan contingent upon achieving certain Performance Goals.

2.30 "**Performance Goals**" means goals established by the Committee as contingencies for Awards to vest and/or become exercisable or distributable.

2.31 "**Performance Period**" means the designated period during which the Performance Goals must be satisfied with respect to the Award to which the Performance Goals relate.

2.32 "**Person**" means any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act.

2.33 "**Restricted Stock**" means an Award of Shares granted under Article VII of this Plan.

2.34 "**Restricted Stock Unit**" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Committee to be of equal value as of such settlement date, subject to certain vesting conditions and other restrictions.

2.35 "**Rule 16b-3**" means Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provision.

2.36 "**Section 409A of the Code**" means the nonqualified deferred compensation rules under Section 409A of the Code and any applicable treasury regulations and other official guidance thereunder.

2.37 "**Securities Act**" means the Securities Act of 1933, as amended, and all rules and regulations promulgated thereunder. Reference to a specific section of the Securities Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing, or superseding such section or regulation.

2.38 "**Shares**" means shares of Common Stock.

2.39 "**Stock Appreciation Right**" means a stock appreciation right granted under Article VI of this Plan.

2.40 "**Stock Option**" or "**Option**" means any option to purchase Shares granted pursuant to Article VI of this Plan.

2.41 "**Subsidiary**" means any subsidiary corporation of the Company within the meaning of Section 424(f) of the Code.

2.42 "**Ten Percent Stockholder**" means a Person owning stock representing more than 10% of the total combined voting power of all classes of stock of the Company or its Subsidiaries.



**2.43 “Termination of Service”** means the termination of the applicable Participant’s employment with, or performance of services for, the Company and its Affiliates. Unless otherwise determined by the Committee, (a) if a Participant’s employment or services with the Company and its Affiliates terminates but such Participant continues to provide services to the Company and its Affiliates in a non-employee capacity, such change in status shall not be deemed a Termination of Service with the Company and its Affiliates and (b) a Participant employed by, or performing services for an Affiliate that ceases to be an Affiliate shall also be deemed to have incurred a Termination of Service provided the Participant does not immediately thereafter become an employee of the Company or another Affiliate. Notwithstanding the foregoing provisions of this definition, with respect to any Award that constitutes a “nonqualified deferred compensation plan” within the meaning of Section 409A of the Code, a Participant shall not be considered to have experienced a “Termination of Service” unless the Participant has experienced a “separation from service” within the meaning of Section 409A of the Code.

### **ARTICLE III ADMINISTRATION**

**3.1 Authority of the Committee.** This Plan shall be administered by the Committee. Subject to the terms of this Plan and Applicable Law, the Committee shall have full authority to grant Awards to Eligible Individuals under this Plan. In particular, the Committee shall have the authority to:

- (a) determine whether and to what extent Awards, or any combination thereof, are to be granted hereunder to one or more Eligible Individuals;
- (b) determine the number of Shares to be covered by each Award granted hereunder;
- (c) determine the terms and conditions, not inconsistent with the terms of this Plan, of any Award granted hereunder (including, but not limited to, the exercise or purchase price (if any), any restriction or limitation, any vesting schedule or acceleration thereof, or any forfeiture restrictions or waiver thereof, regarding any Award and the Shares, if any, relating thereto, based on such factors, if any, as the Committee shall determine, in its sole discretion);
- (d) determine the amount of cash to be covered by each Award granted hereunder;
- (e) determine whether, to what extent, and under what circumstances grants of Options and other Awards under this Plan are to operate on a tandem basis and/or in conjunction with or apart from other awards made by the Company outside of this Plan;
- (f) determine whether and under what circumstances an Award may be settled in cash, Shares, other property, or a combination of the foregoing;
- (g) determine whether, to what extent and under what circumstances cash, Shares, or other property and other amounts payable with respect to an Award under this Plan shall be deferred either automatically or at the election of the Participant;
- (h) modify, waive, amend, or adjust the terms and conditions of any Award, at any time or from time to time, including but not limited to Performance Goals;

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(i) determine whether a Stock Option is an Incentive Stock Option or Non-Qualified Stock Option;

(j) determine whether to require a Participant, as a condition of the granting of any Award, to not sell or otherwise dispose of Shares acquired pursuant to the exercise or vesting of an Award for a period of time as determined by the Committee, in its sole discretion, following the date of the acquisition of such Award or Shares; and

(k) modify, extend, or renew an Award, subject to Article XI and Section 6.8(g) of this Plan.

**3.2 Guidelines.** Subject to Article XI of this Plan, the Committee shall have the authority to adopt, alter, and repeal such administrative rules, guidelines, and practices governing this Plan and perform all acts, including the delegation of its responsibilities (to the extent permitted by Applicable Law and applicable stock exchange rules), as it shall, from time to time, deem advisable; to construe and interpret the terms and provisions of this Plan and any Award issued under this Plan (and any agreements or sub-plans relating thereto); and to otherwise supervise the administration of this Plan. The Committee may correct any defect, supply any omission, or reconcile any inconsistency in this Plan or in any agreement relating thereto in the manner and to the extent it shall deem necessary to effectuate the purpose and intent of this Plan. The Committee may adopt special rules, sub-plans, guidelines, and provisions for persons who are residing in or employed in, or subject to, the taxes of any domestic or foreign jurisdictions to satisfy or accommodate applicable foreign laws or to qualify for preferred tax treatment of such domestic or foreign jurisdictions.

**3.3 Decisions Final.** Any decision, interpretation, or other action made or taken in good faith by or at the direction of the Company, the Board, or the Committee (or any of its members) arising out of or in connection with this Plan shall be within the absolute discretion of all and each of them, as the case may be, and shall be final, binding, and conclusive on the Company and all employees and Participants and their respective heirs, executors, administrators, successors, and assigns.

**3.4 Designation of Consultants/Liability; Delegation of Authority.**

(a) The Committee may employ such legal counsel, consultants, and agents as it may deem desirable for the administration of this Plan and may rely upon any opinion received from any such counsel or consultant and any computation received from any such consultant or agent. Expenses incurred by the Committee or the Board in the engagement of any such counsel, consultant, or agent shall be paid by the Company. The Committee, its members, and any person designated pursuant to this Section 3.4 shall not be liable for any action or determination made in good faith with respect to this Plan. To the maximum extent permitted by Applicable Law, no officer of the Company or member or former member of the Committee or of the Board shall be liable for any action or determination made in good faith with respect to this Plan or any Award granted under it.

(b) The Committee may delegate any or all of its powers and duties under this Plan to a subcommittee of directors or to any officer of the Company, including the power to perform administrative functions (including executing agreements or other documents on behalf of the Committee) and grant Awards; provided that, such delegation does not (i) violate Applicable Law, or (ii) result in the loss of an exemption under Rule 16b-3(d)(1) for Awards granted to Participants subject to Section 16 of the Exchange Act in respect of the Company. Upon any such delegation, all references in this Plan to the "Committee," shall be deemed to include any subcommittee or officer of the Company to whom such powers have been delegated by the Committee. Any such delegation shall not limit the right of such subcommittee members or such an officer to receive Awards; provided, however, that such subcommittee members and any such officer may not grant Awards to himself or herself, a member of the Board, or any executive officer of the Company or an Affiliate, or take any action with respect to any Award previously granted to himself or herself, a member of the Board, or any executive officer of the Company or an Affiliate. The Committee may also designate employees or professional advisors who are not executive officers of the Company or members of the Board to assist in administering this Plan, provided, however, that such individuals may not be delegated the authority to grant or modify any Awards that will, or may, be settled in Shares.

**3.5 Indemnification.** To the maximum extent permitted by Applicable Law and to the extent not covered by insurance directly insuring such person, each current and former officer or employee of the Company or any of its Affiliates and member or former member of the Committee or the Board shall be indemnified and held harmless by the Company against any cost or expense (including reasonable fees of counsel acceptable to the Committee) or liability (including any sum paid in settlement of a claim with the approval of the Committee), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the administration of this Plan, except to the extent arising out of such officer's, employee's, member's, or former member's own fraud or bad faith. Such indemnification shall be in addition to any right of indemnification that the current or former employee, officer or member may have under Applicable Law or under the by-laws of the Company or any of its Affiliates. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to such individual under this Plan.

#### **ARTICLE IV SHARE LIMITATION BRACKET THE EVERGREEN SECTION**

**4.1 Shares.** The aggregate number of Shares that may be issued pursuant to this Plan shall not exceed [ $\bullet$ ] Shares (subject to any increase or decrease pursuant to this Article IV), which may be either authorized and unissued Shares or Shares held in or acquired for the treasury of the Company or both. The number of Shares that may be issued or used under this Plan shall be subject to an annual increase on January 1 of each calendar year beginning in [ $\bullet$ ], and ending and including [ $\bullet$ ], equal to the lesser of (a) 3% of the aggregate number of Shares outstanding on December 31 of the immediately preceding calendar year and (b) such smaller number of Shares as is determined by the Board. The aggregate number of Shares that may be issued or used with respect to any Incentive Stock Option shall not exceed [ $\bullet$ ] Shares (subject to any increase or decrease pursuant to Section 4.1). Any Award under this Plan settled in cash shall not be counted against the foregoing maximum share limitations. Any Shares subject to an Award that expires or is canceled, forfeited, or terminated without issuance of the full number of Shares to which the Award related will again be available for issuance under this Plan. Notwithstanding anything to the contrary contained herein, Shares subject to an Award under this Plan shall again be made available for issuance or delivery

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under this Plan if such Shares are (i) Shares tendered in payment of an Option, (ii) Shares delivered or withheld by the Company to satisfy any tax withholding obligation, (iii) Shares covered by a stock-settled Stock Appreciation Right or other Awards that were not issued upon the settlement of the Award, or (iv) Shares subject to an Award that expires or is canceled, forfeited, or terminated without issuance of the full number of Shares to which the Award related.

**4.2 Substitute Awards.** In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, the Committee may grant Awards in substitution for any options or other stock or stock-based awards granted before such merger or consolidation by such entity or its affiliate ("Substitute Awards"). Substitute Awards may be granted on such terms as the Committee deems appropriate, notwithstanding limitations on Awards in this Plan. Substitute Awards will not count against the Shares authorized for grant under this Plan (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under this Plan as provided under Section 4.1 above), except that Shares acquired by exercise of substitute Incentive Stock Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options under this Plan, as set forth in Section 4.1 above. Additionally, in the event that a Person acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grants pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under this Plan and shall not reduce the Shares authorized for grant under this Plan (and Shares subject to such Awards shall not be added to the Shares available for Awards under this Plan as provided under Section 4.1 above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Eligible Employees or Non-Employee Directors prior to such acquisition or combination.

**4.3 Adjustments.**

(a) The existence of this Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize (i) any adjustment, recapitalization, reorganization, or other change in the Company's capital structure or its business, (ii) any merger or consolidation of the Company or any Affiliate, (iii) any issuance of bonds, debentures, or preferred or prior preference stock ahead of or affecting the Shares, (iv) the dissolution or liquidation of the Company or any Affiliate, (v) any sale or transfer of all or part of the assets or business of the Company or any Affiliate, or (vi) any other corporate act or proceeding.

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(b) Subject to the provisions of Section 10.1:

(i) If the Company at any time subdivides (by any split, recapitalization or otherwise) the outstanding Shares into a greater number of Shares, or combines (by reverse split, combination, or otherwise) its outstanding Shares into a lesser number of Shares, then the respective exercise prices for outstanding Awards that provide for a Participant-elected exercise and the number of Shares covered by outstanding Awards shall be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under this Plan; provided that, the Committee in its sole discretion shall determine whether an adjustment is appropriate.

(ii) Excepting transactions covered by Section 4.3(b)(i), if the Company effects any merger, consolidation, statutory exchange, spin-off, reorganization, sale or transfer of all or substantially all the Company's assets or business, or other corporate transaction or event in such a manner that the Company's outstanding Shares are converted into the right to receive (or the holders of Common Stock are entitled to receive in exchange therefor), either immediately or upon liquidation of the Company, securities or other property of the Company or other entity, then, subject to the provisions of Section 10.1, (A) the aggregate number or kind of securities that thereafter may be issued under this Plan, (B) the number or kind of securities or other property (including cash) to be issued pursuant to Awards granted under this Plan (including as a result of the assumption of this Plan and the obligations hereunder by a successor entity, as applicable), or (C) the exercise or purchase price thereof, shall be appropriately adjusted by the Committee to prevent dilution or enlargement of the rights granted to, or available for, Participants under this Plan.

(iii) If there shall occur any change in the capital structure of the Company other than those covered by Section 4.3(b)(i) or 4.3(b)(ii), any conversion, any adjustment, or any issuance of any class of securities convertible or exercisable into, or exercisable for, any class of equity securities of the Company, then the Committee shall adjust any Award and make such other adjustments to this Plan to prevent dilution or enlargement of the rights granted to, or available for, Participants under this Plan.

(iv) In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other extraordinary transaction or change affecting the Shares or the Share price, including any securities offering or other similar transaction, for administrative convenience, the Committee may refuse to permit the exercise of any Award for up to sixty (60) days before or after such transaction.

(v) The Committee may adjust the Performance Goals applicable to any Awards to reflect any unusual or non-recurring events and other extraordinary items, impact of charges for restructurings, discontinued operations, and the cumulative effects of accounting or tax changes, each as defined by generally accepted accounting principles or as identified in the Company's financial statements, notes to the financial statements, management's discussion and analysis, or other Company public filing.

(vi) Any such adjustment determined by the Committee pursuant to this Section 4.3(b) shall be final, binding, and conclusive on the Company and all Participants and their respective heirs, executors, administrators, successors, and permitted assigns. Any adjustment to, or assumption or substitution of, an Award under this Section 4.3(b) shall be intended to comply with the requirements of Section 409A of the Code and Treasury Regulation §1.424-1 (and any amendments thereto), to the extent applicable. Except as expressly provided in this Section 4.3 or in the applicable Award Agreement, a Participant shall have no additional rights under this Plan by reason of any transaction or event described in this Section 4.3.

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**4.4 Annual Limit on Non-Employee Director Compensation.** In each calendar year during any part of which this Plan is in effect, a Non-Employee Director may not receive Awards for such individual's service on the Board that, taken together with any cash fees paid to such Non-Employee Director during such calendar year for such individual's service on the Board, have a value in excess of \$750,000 (calculating the value of any such Awards based on the grant date fair value of such Awards for financial reporting purposes); provided that, (a) the Committee may make exceptions to this limit, except that the Non-Employee Director receiving such additional compensation may not participate in the decision to award such compensation or in other contemporaneous decisions involving compensation for Non-Employee Directors and (b) for the calendar year in which the pricing date of the Company's initial public offering occurs or for any calendar year in which a Non-Employee Director (i) first commences service on the Board, (ii) serves on a special committee of the Board, or (iii) serves as lead director or non-executive chair of the Board, additional compensation may be provided to such Non-Employee Director in excess of such limit.

## **ARTICLE V ELIGIBILITY**

**5.1 General Eligibility.** All current and prospective Eligible Individuals are eligible to be granted Awards. Eligibility for the grant of Awards and actual participation in this Plan shall be determined by the Committee in its sole discretion. No Eligible Individual will automatically be granted any Award under this Plan.

**5.2 Incentive Stock Options.** Notwithstanding the foregoing, only Eligible Employees who are employees of the Company or its Subsidiaries are eligible to be granted Incentive Stock Options under this Plan. Eligibility for the grant of an Incentive Stock Option and actual participation in this Plan shall be determined by the Committee in its sole discretion.

**5.3 General Requirement.** The vesting and exercise of Awards granted to a prospective Eligible Individual are conditioned upon such individual actually becoming an Eligible Employee, Consultant, or Non-Employee Director, as applicable.

## **ARTICLE VI STOCK OPTIONS; STOCK APPRECIATION RIGHTS**

**6.1 General.** Stock Options or Stock Appreciation Rights may be granted alone or in addition to other Awards granted under this Plan. Each Stock Option granted under this Plan shall be of one of two types: (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option. Stock Options and Stock Appreciation Rights granted under this Plan shall be evidenced by an Award Agreement and subject to the terms, conditions and limitations in this Plan, including any limitations applicable to Incentive Stock Options.

**6.2 Grants.** The Committee shall have the authority to grant to any Eligible Individual one or more Incentive Stock Options, Non-Qualified Stock Options, and/or Stock Appreciation Rights; provided, however, that Incentive Stock Options may only be granted to an Eligible Employee who is an employee of the Company or its Subsidiaries. To the extent that any Stock Option does not qualify as an Incentive Stock Option (whether because of its provisions or the time or manner of its exercise or otherwise), such Stock Option or the portion thereof which does not so qualify shall constitute a separate Non-Qualified Stock Option.

**6.3 Exercise Price.** The exercise price per Share subject to a Stock Option or Stock Appreciation Right shall be determined by the Committee at the time of grant; provided that, the per share exercise price of a Stock Option or Stock Appreciation Right shall not be less than 100% (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, 110%) of the Fair Market Value at the time of grant. Notwithstanding the foregoing, in the case of a Stock Option or Stock Appreciation Right that is a Substitute Award, the exercise price per Share for such Stock Option or Stock Appreciation Right may be less than the Fair Market Value on the date of grant; provided that, such exercise price is determined in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code.

**6.4 Term.** The term of each Stock Option or Stock Appreciation Right shall be fixed by the Committee; provided that, no Stock Option or Stock Appreciation Right shall be exercisable more than ten years (or, in the case of an Incentive Stock Option granted to a Ten Percent Stockholder, five years) after the date on which the Stock Option or Stock Appreciation Right, as applicable, is granted.

**6.5 Exercisability.** Unless otherwise provided by the Committee in accordance with the provisions of this Section 6.5, Stock Options and Stock Appreciation Rights granted under this Plan shall be exercisable at such time or times and subject to such terms and conditions as shall be determined by the Committee at the time of grant. The Committee may, but shall not be required to, provide for an acceleration of vesting and exercisability in the terms of any Award Agreement upon the occurrence of a specified event. Unless otherwise determined by the Committee, if the exercise of a Non-Qualified Stock Option or Stock Appreciation Right within the permitted time periods is prohibited because such exercise would violate the registration requirements under the Securities Act or any other Applicable Law or the rules of any securities exchange or interdealer quotation system, the Company's insider trading policy (including any blackout periods) or a "lock-up" agreement entered into in connection with the issuance of securities by the Company, then the expiration of such Non-Qualified Stock Option or Stock Appreciation Right shall be extended until the date that is 30 days after the end of the period during which the exercise of the Non-Qualified Stock Option or Stock Appreciation Right would be in violation of such registration requirement or other Applicable Law or rules, blackout period or lock-up agreement, as determined by the Committee; provided, however, that in no event shall any such extension result in any Non-Qualified Stock Option or Stock Appreciation Right remaining exercisable after the ten-year term of the applicable Non-Qualified Stock Option or Stock Appreciation Right.

**6.6 Method of Exercise.** Subject to any applicable waiting period or exercisability provisions under Section 6.5, to the extent vested, Stock Options and Stock Appreciation Rights may be exercised in whole or in part at any time during the term of the applicable Stock Option or Stock Appreciation Right, by giving written notice of exercise (which may be electronic) to the Company specifying the number of Stock Options or Stock Appreciation Rights, as applicable, being exercised. Such notice shall be accompanied by payment in full of the exercise price (which shall equal the product of such number of Shares to be purchased multiplied by the applicable

exercise price). The exercise price for the Stock Options may be paid upon such terms and conditions as shall be established by the Committee and set forth in the applicable Award Agreement. Without limiting the foregoing, the Committee may establish payment terms for the exercise of Stock Options pursuant to which the Company may withhold a number of Shares that otherwise would be issued to the Participant in connection with the exercise of the Stock Option having a Fair Market Value on the date of exercise equal to the exercise price, or that permit the Participant to deliver cash or Shares with a Fair Market Value equal to the exercise price on the date of payment, or through a simultaneous sale through a broker of Shares acquired on exercise, all as permitted by Applicable Law. No Shares shall be issued until payment therefor, as provided herein, has been made or provided for. Upon the exercise of a Stock Appreciation Right a Participant shall be entitled to receive, for each right exercised, up to, but no more than, an amount in cash and/or Shares (as chosen by the Committee in its sole discretion) equal in value to the excess of the Fair Market Value of one Share on the date that the right is exercised over the Fair Market Value of one Share on the date that the right was awarded to the Participant.

**6.7 Non-Transferability.** No Stock Option or Stock Appreciation Right shall be transferable by the Participant other than by will or by the laws of descent and distribution, and all Stock Options and Stock Appreciation Rights shall be exercisable, during the Participant's lifetime, only by the Participant. Notwithstanding the foregoing, the Committee may determine, in its sole discretion, at the time of grant or thereafter that a Non-Qualified Stock Option that is otherwise not transferable pursuant to this Section 6.7 is transferable to a Family Member of the Participant in whole or in part and in such circumstances, and under such conditions, as specified by the Committee. A Non-Qualified Stock Option that is transferred to a Family Member pursuant to the preceding sentence (a) may not be subsequently transferred other than by will or by the laws of descent and distribution and (b) remains subject to the terms of this Plan and the applicable Award Agreement. Any Shares acquired upon the exercise of a Non-Qualified Stock Option by a permissible transferee of a Non-Qualified Stock Option or a permissible transferee pursuant to a transfer after the exercise of the Non-Qualified Stock Option shall be subject to the terms of this Plan and the applicable Award Agreement.

**6.8 Termination.** Unless otherwise determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, subject to the provisions of the applicable Award Agreement and this Plan, upon a Participant's Termination of Service for any reason, Stock Appreciation Rights may remain exercisable following a Participant's Termination of Service as follows:

(a) **Termination by Death or Disability.** Unless otherwise provided in the applicable Award Agreement, or otherwise determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is by reason of death or Disability, all Stock Options and Stock Appreciation Rights that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant (or in the case of the Participant's death, by the legal representative of the Participant's estate) at any time within a period of one year from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options and Stock Appreciation Rights; provided, however, that, in the event of a Participant's Termination of Service by reason of Disability, if the Participant dies within such exercise period, all unexercised Stock Options and Stock Appreciation Rights held by such Participant shall thereafter be exercisable, to the extent to which they were exercisable at the time of death, for a period of one year from the date of such death, but in no event beyond the expiration of the stated term of such Stock Options and/or Stock Appreciation Rights.



(b) Involuntary Termination Without Cause. Unless otherwise provided in the applicable Award Agreement or otherwise determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is by involuntary termination by the Company without Cause, all Stock Options and Stock Appreciation Rights that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant at any time within a period of 90 days from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options or Stock Appreciation Rights.

(c) Voluntary Resignation. Unless otherwise provided in the applicable Award Agreement or otherwise determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service is voluntary (other than a voluntary termination described in Section 6.8(d) hereof), all Stock Options and Stock Appreciation Rights that are held by such Participant that are vested and exercisable at the time of the Participant's Termination of Service may be exercised by the Participant at any time within a period of 30 days from the date of such Termination of Service, but in no event beyond the expiration of the stated term of such Stock Options or Stock Appreciation Rights.

(d) Termination for Cause. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at the time of grant, or if no rights of the Participant are reduced, thereafter, if a Participant's Termination of Service (i) is for Cause or (ii) is a voluntary Termination of Service (as provided in Section 6.8(c)) after the occurrence of an event that would be grounds for a Termination of Service for Cause, all Stock Options and Stock Appreciation Rights, whether vested or not vested, that are held by such Participant shall thereupon immediately terminate and expire as of the date of such Termination of Service.

(e) Unvested Stock Options and Stock Appreciation Rights. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at the time of grant or, if no rights of the Participant are reduced, thereafter, Stock Options and Stock Appreciation Rights that are not vested as of the date of a Participant's Termination of Service for any reason shall terminate and expire as of the date of such Termination of Service.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined as of the time of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by an Eligible Employee during any calendar year under this Plan and/or any other stock option plan of the Company or any Subsidiary exceeds \$100,000, such Options shall be treated as Non-Qualified Stock Options. In addition, if an Eligible Employee does not remain employed by the Company or any Subsidiary at all times from the time an Incentive Stock Option is granted until three (3) months prior to the date of exercise thereof (or such other period as required by Applicable Law), such Stock Option shall be treated as a Non-Qualified Stock Option. Should any provision of this Plan not be necessary in order for the Stock Options to qualify as Incentive Stock Options, or should any additional provisions be required, the Committee may amend this Plan accordingly, without the necessity of obtaining the approval of the stockholders of the Company.

(g) **Modification, Extension and Renewal of Stock Options.** The Committee may (i) modify, extend, or renew outstanding Stock Options granted under this Plan (provided that, the rights of a Participant are not reduced without such Participant's consent and provided, further that such action does not subject the Stock Options to Section 409A of the Code without the consent of the Participant), and (ii) accept the surrender of outstanding Stock Options (to the extent not theretofore exercised) and authorize the granting of new Stock Options in substitution therefor (to the extent not theretofore exercised). Notwithstanding the foregoing, an outstanding Option may not be modified to reduce the exercise price thereof nor may a new Option at a lower price be substituted for a surrendered Option (other than adjustments or substitutions in accordance with Article IV), unless such action is approved by the stockholders of the Company.

**6.9 Automatic Exercise.** The Committee may include a provision in an Award Agreement providing for the automatic exercise of a Non-Qualified Stock Option or Stock Appreciation Right on a cashless basis on the last day of the term of such Option or Stock Appreciation Right if the Participant has failed to exercise the Non-Qualified Stock Option or Stock Appreciation Right as of such date, with respect to which the Fair Market Value of the Shares underlying the Non-Qualified Stock Option or Stock Appreciation Right exceeds the exercise price of such Non-Qualified Stock Option or Stock Appreciation Right on the date of expiration of such Option or Stock Appreciation Right, subject to Section 13.4.

**6.10 Other Terms and Conditions.** As the Committee shall deem appropriate, Stock Options and Stock Appreciation Rights may be subject to additional terms and conditions or other provisions, which shall not be inconsistent with any of the terms of this Plan.

## **ARTICLE VII RESTRICTED STOCK; RESTRICTED STOCK UNITS**

**7.1 Awards of Restricted Stock and Restricted Stock Units.** Shares of Restricted Stock and Restricted Stock Units may be granted alone or in addition to other Awards granted under this Plan. The Committee shall determine the Eligible Individuals to whom, and the time or times at which, grants of Restricted Stock and/or Restricted Stock Units shall be made, the number of shares of Restricted Stock or Restricted Stock Units to be awarded, the price (if any) to be paid by the Participant (subject to Section 7.2), the time or times within which such Awards may be subject to forfeiture, the vesting schedule and rights to acceleration thereof, and all other terms and conditions of the Awards. The Committee shall determine and set forth in the Award Agreement the terms and conditions for each Award of Restricted Stock and Restricted Stock Units, subject to the conditions and limitations contained in this Plan, including any vesting or forfeiture conditions.

The Committee may condition the grant or vesting of Restricted Stock and Restricted Stock Units upon the attainment of specified Performance Goals or such other factor as the Committee may determine in its sole discretion.

**7.2 Awards and Certificates.** Restricted Stock and Restricted Stock Units granted under this Plan shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of this Plan, as the Committee shall deem desirable:

(a) Restricted Stock.

(i) Purchase Price. The purchase price of Restricted Stock shall be fixed by the Committee. The purchase price for shares of Restricted Stock may be zero to the extent permitted by Applicable Law, and, to the extent not so permitted, such purchase price may not be less than par value.

(ii) Legend. Each Participant receiving Restricted Stock shall be issued a stock certificate in respect of such shares of Restricted Stock, unless the Committee elects to use another system, such as book entries by the Company's transfer agent, as evidencing ownership of shares of Restricted Stock. Such certificate shall be registered in the name of such Participant, and shall, in addition to such legends required by Applicable Law, bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

(iii) Custody. If stock certificates are issued in respect of shares of Restricted Stock, the Committee may require that any stock certificates evidencing such shares be held in custody by the Company until the restrictions thereon shall have lapsed, and that, as a condition of any grant of Restricted Stock, the Participant shall have delivered a duly signed stock power or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate by the Company, which would permit transfer to the Company of all or a portion of the shares subject to the Award of Restricted Stock in the event that such Award is forfeited in whole or part.

(iv) Rights as a Stockholder. Except as provided in Section 7.3(a) and this Section 7.2(a) or as otherwise determined by the Committee in an Award Agreement, the Participant shall have, with respect to the shares of Restricted Stock, all of the rights of a holder of Shares, including, without limitation, the right to receive dividends, the right to vote such shares, and, subject to and conditioned upon the full vesting of shares of Restricted Stock, the right to tender such shares; provided that, the Award Agreement shall specify on what terms and conditions the applicable Participant shall be entitled to dividends payable on the Shares.

(v) Lapse of Restrictions. If and when the Restriction Period expires without a prior forfeiture of the Restricted Stock, the certificates for such Shares shall be delivered to the Participant. All legends shall be removed from said certificates at the time of delivery to the Participant, except as otherwise required by Applicable Law or other limitations imposed by the Committee.

(b) Restricted Stock Units.

(i) Settlement. The Committee may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practical after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant's election, in a manner intended to comply with Section 409A of the Code.

(ii) Rights as a Stockholder. A Participant will have no rights of a stockholder with respect to Shares subject to any Restricted Stock Unit unless and until Shares are delivered in settlement of the Restricted Stock Units.

(iii) Dividend Equivalent Rights. If the Committee so provides, a grant of Restricted Stock Units may provide a Participant with the right to receive Dividend Equivalent Rights. Dividend Equivalent Rights may be paid currently or credited to an account for the Participant, settled in cash or Shares, and subject to the same restrictions on transferability and forfeitability as the Restricted Stock Units with respect to which the Dividend Equivalent Rights are granted and subject to other terms and conditions as set forth in the Award Agreement.

**7.3 Restrictions and Conditions.**

(a) Restriction Period.

(i) The Participant shall not be permitted to transfer shares of Restricted Stock awarded under this Plan or vest in Restricted Stock Units during the period or periods set by the Committee (the "Restriction Period") commencing on the date of such Award, as set forth in the applicable Award Agreement and such agreement shall set forth a vesting schedule and any event that would accelerate vesting of the Restricted Stock and/or Restricted Stock Units. Within these limits, based on service, attainment of Performance Goals pursuant to Section 7.3(a)(i), and/or such other factors or criteria as the Committee may determine in its sole discretion, the Committee may condition the grant or provide for the lapse of such restrictions in installments in whole or in part, or may accelerate the vesting of all or any part of any Award of Restricted Stock or Restricted Stock Units and/or waive the deferral limitations for all or any part of any Award of Restricted Stock or Restricted Stock Units.

(ii) If the grant of shares of Restricted Stock or Restricted Stock Units or the lapse of restrictions or vesting schedule is based on the attainment of Performance Goals, the Committee shall establish the objective Performance Goals and the applicable vesting percentage applicable to each Participant or class of Participants in the applicable Award Agreement prior to the beginning of the applicable fiscal year or at such later date as otherwise determined by the Committee and while the outcome of the Performance Goals are substantially uncertain. Such Performance Goals may incorporate provisions for disregarding (or adjusting for) changes in accounting methods, corporate transactions (including, without limitation, dispositions and acquisitions), and other similar types of events or circumstances.

(b) Termination. Unless otherwise provided in the applicable Award Agreement or determined by the Committee at grant or, if no rights of the Participant are reduced, thereafter, upon a Participant's Termination of Service for any reason during the relevant Restriction Period, all Restricted Stock or Restricted Stock Units still subject to restriction will be forfeited in accordance with the terms and conditions established by the Committee at grant or thereafter.

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**ARTICLE VIII  
PERFORMANCE AWARDS**

The Committee may grant a Performance Award to a Participant payable upon the attainment of specific Performance Goals either alone or in addition to other Awards granted under this Plan. The Performance Goals to be achieved during the Performance Period and the length of the Performance Period shall be determined by the Committee upon the grant of each Performance Award. The conditions for grant or vesting and the other provisions of Performance Awards (including, without limitation, any applicable Performance Goals) need not be the same with respect to each Participant. Performance Awards may be paid in cash, Shares, other property, or any combination thereof, in the sole discretion of the Committee as set forth in the applicable Award Agreement.

**ARTICLE IX  
OTHER STOCK-BASED AND CASH AWARDS**

**9.1 Other Stock-Based Awards.** The Committee is authorized to grant to Eligible Individuals Other Stock-Based Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, including but not limited to, Shares awarded purely as a bonus and not subject to restrictions or conditions, Shares in payment of the amounts due under an incentive or performance plan sponsored or maintained by the Company, stock equivalent units, and Awards valued by reference to the book value of Shares. Other Stock-Based Awards may be granted either alone or in addition to or in tandem with other Awards granted under this Plan.

Subject to the provisions of this Plan, the Committee shall have authority to determine the Eligible Individuals, to whom, and the time or times at which, such Other Stock-Based Awards shall be made, the number of Shares to be awarded pursuant to such Awards, and all other conditions of the Awards. The Committee may also provide for the grant of Shares under such Awards upon the completion of a specified Performance Period. The Committee may condition the grant or vesting of Other Stock-Based Awards upon the attainment of specified Performance Goals as the Committee may determine, in its sole discretion.

**9.2 Terms and Conditions.** Other Stock-Based Awards made pursuant to this Article IX shall be evidenced by an Award Agreement and subject to the following terms and conditions and shall be in such form and contain such additional terms and conditions not inconsistent with the terms of this Plan, as the Committee shall deem desirable:

(a) **Non-Transferability.** Subject to the applicable provisions of the Award Agreement and this Plan, Shares subject to Other Stock-Based Awards may not be transferred prior to the date on which the Shares are issued or, if later, the date on which any applicable restriction, performance, or deferral period lapses.

(b) **Dividends.** Unless otherwise determined by the Committee at the time of the grant of an Other Stock-Based Award, subject to the provisions of the Award Agreement and this Plan, the recipient of an Other Stock-Based Award shall not be entitled to receive, currently or on a deferred basis, dividends or Dividend Equivalent Rights in respect of the number of Shares covered by the Other Stock-Based Award.

(c) Vesting. Any Other Stock-Based Award and any Shares covered by any such Other Stock-Based Award shall vest or be forfeited to the extent so provided in the Award Agreement, as determined by the Committee, in its sole discretion.

(d) Price. Shares under this Article IX may be issued for no cash consideration. Shares purchased pursuant to a purchase right awarded pursuant to an Other Stock-Based Award shall be priced, as determined by the Committee in its sole discretion.

**9.3 Cash Awards.** The Committee may from time to time grant Cash Awards to Eligible Individuals in such amounts, on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by Applicable Law, as it shall determine in its sole discretion. Cash Awards may be granted subject to the satisfaction of vesting conditions or may be awarded purely as a bonus and not subject to restrictions or conditions, and if subject to vesting conditions, the Committee may accelerate the vesting of such Awards at any time in its sole discretion. The grant of a Cash Award shall not require a segregation of any of the Company's assets for satisfaction of the Company's payment obligation thereunder.

## ARTICLE X CHANGE IN CONTROL PROVISIONS

**10.1 Benefits.** In the event of a Change in Control of the Company, and except as otherwise provided by the Committee in an Award Agreement or any applicable employment agreement, offer letter, consulting agreement, change in control agreement, or similar agreement in effect between the Company or an Affiliate and the Participant, a Participant's unvested Awards shall not vest automatically and a Participant's Awards shall be treated in accordance with one or more of the following methods as determined by the Committee:

(a) Awards, whether or not then vested, shall be continued, be assumed, or have new rights substituted therefor, as determined by the Committee in a manner consistent with the requirements of Section 409A of the Code, and restrictions to which shares of Restricted Stock or any other Award granted prior to the Change in Control are subject shall not lapse upon a Change in Control and the Restricted Stock or other Award shall, where appropriate in the sole discretion of the Committee, receive the same distribution as other Shares on such terms as determined by the Committee; provided that, the Committee may decide to award additional Restricted Stock or other Awards in lieu of any cash distribution. Notwithstanding anything to the contrary herein, for purposes of Incentive Stock Options, any assumed or substituted Stock Option shall comply with the requirements of Treasury Regulation Section 1.424-1 (and any amendment thereto).

(b) The Committee, in its sole discretion, may provide for the purchase of any Awards by the Company for an amount of cash equal to the excess (if any) of the Change in Control Price of the Shares covered by such Awards, over the aggregate exercise price of such Awards; provided, however, that if the exercise price of an Option or Stock Appreciation Right exceeds the Change in Control Price, such Award may be cancelled for no consideration.

(c) The Committee may, in its sole discretion, terminate all outstanding and unexercised Stock Options, Stock Appreciation Rights, or any Other Stock-Based Award that provides for a Participant-elected exercise, effective as of the date of the Change in Control, by delivering notice of termination to each Participant at least 20 days prior to the date of consummation of the Change in Control, in which case during the period from the date on which such notice of termination is delivered to the consummation of the Change in Control, each such Participant shall have the right to exercise in full all of such Participant's Awards that are then outstanding (without regard to any limitations on exercisability otherwise contained in the Award Agreements), but any such exercise shall be contingent on the occurrence of the Change in Control; provided that, if the Change in Control does not take place within a specified period after giving such notice for any reason whatsoever, the notice and exercise pursuant thereto shall be null and void.

(d) Notwithstanding any other provision herein to the contrary, the Committee may, in its sole discretion, provide for accelerated vesting or lapse of restrictions, of an Award at any time.

#### **ARTICLE XI TERMINATION OR AMENDMENT OF PLAN**

Notwithstanding any other provision of this Plan, the Board or the Committee may at any time, and from time to time, amend, in whole or in part, any or all of the provisions of this Plan (including any amendment deemed necessary to ensure that the Company may comply with any Applicable Law), or suspend or terminate it entirely, retroactively or otherwise; provided, however, that, unless otherwise required by Applicable Law or specifically provided herein, the rights of a Participant with respect to Awards granted prior to such amendment, suspension, or termination may not be materially impaired without the consent of such Participant and, provided, further, that without the approval of the holders of the Shares entitled to vote in accordance with Applicable Law, no amendment may be made that would (a) increase the aggregate number of Shares that may be issued under this Plan (except by operation of Section 4.1); (b) change the classification of individuals eligible to receive Awards under this Plan; (c) reduce the exercise price of any Stock Option or Stock Appreciation Right; (d) grant any new Stock Option, Stock Appreciation Right, or other award in substitution for, or upon the cancellation of, any previously granted Stock Option or Stock Appreciation Right that has the effect of reducing the exercise price thereof; (e) exchange any Stock Option or Stock Appreciation Right for Common Stock, cash, or other consideration when the exercise price per Share under such Stock Option or Stock Appreciation Right exceeds the Fair Market Value of a Share; or (f) take any action that would be considered a "repricing" of a Stock Option or Stock Appreciation Right under the applicable listing standards of the national exchange on which the Common Stock is listed (if any). Notwithstanding anything herein to the contrary, the Board or the Committee may amend this Plan or any Award Agreement at any time without a Participant's consent to comply with Applicable Law, including Section 409A of the Code. The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively, but, subject to Article IV or as otherwise specifically provided herein, no such amendment or other action by the Committee shall materially impair the rights of any Participant without the Participant's consent.

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**ARTICLE XII  
UNFUNDED STATUS OF PLAN**

This Plan is intended to constitute an “unfunded” plan for incentive and deferred compensation. With respect to any payment as to which a Participant has a fixed and vested interest but which is not yet made to a Participant by the Company, nothing contained herein shall give any such Participant any right that is greater than those of a general unsecured creditor of the Company.

**ARTICLE XIII  
GENERAL PROVISIONS**

**13.1 Lock-Up; Legend.** The Committee may require each person receiving Shares pursuant to a Stock Option or other Award under this Plan to represent to and agree with the Company in writing that the Participant is acquiring the Shares without a view to distribution thereof. The Company may, in connection with registering the offering of any Company securities under the Securities Act, prohibit Participants from, directly or indirectly, selling or otherwise transferring any Shares or other Company securities during any period determined by the underwriter or the Company. In addition to any legend required by this Plan, the certificates for such Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer. All certificates for Shares delivered under this Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed or any national securities exchange system upon whose system the Common Stock is then quoted, and any Applicable Law, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions. If the Shares are held in book-entry form, then the book-entry will indicate any restrictions on such Shares.

**13.2 Other Plans.** Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to stockholder approval if such approval is required, and such arrangements may be either generally applicable or applicable only in specific cases.

**13.3 No Right to Employment/Directorship/Consultancy.** Neither this Plan nor the grant of any Award hereunder shall give any Participant or other employee, Consultant or Non-Employee Director any right with respect to continuance of employment, consultancy or directorship by the Company or any Affiliate, nor shall there be a limitation in any way on the right of the Company or any Affiliate by which an employee is employed or a Consultant or Non-Employee Director is retained to terminate such employment, consultancy, or directorship at any time.

**13.4 Withholding of Taxes.** A Participant shall be required to pay to the Company or one of its Affiliates, as applicable, or make arrangements satisfactory to the Company regarding the payment of, any income tax, social insurance contribution or other applicable taxes that are required to be withheld in respect of an Award. The Committee may (but is not obligated to), in its sole discretion, permit or require a Participant to satisfy all or any portion of the applicable taxes that are required to be withheld with respect to an Award by (a) the delivery of Shares (which are not subject to any pledge or other security interest) that have been both held by the Participant and vested for



at least six (6) months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment under applicable accounting standards) having an aggregate Fair Market Value equal to such withholding liability (or portion thereof); (b) having the Company withhold from the Shares otherwise issuable or deliverable to, or that would otherwise be retained by, the Participant upon the grant, exercise, vesting, or settlement of the Award, as applicable, a number of Shares with an aggregate Fair Market Value equal to the amount of such withholding liability; or (c) by any other means specified in the applicable Award Agreement or otherwise determined by the Committee.

**13.5 Fractional Shares.** No fractional Shares shall be issued or delivered pursuant to this Plan. The Committee shall determine whether cash, additional Awards, or other securities or property shall be used or paid in lieu of fractional Shares or whether any fractional shares should be rounded, forfeited, or otherwise eliminated.

**13.6 No Assignment of Benefits.** No Award or other benefit payable under this Plan shall, except as otherwise specifically provided in this Plan or under Applicable Law or permitted by the Committee, be transferable in any manner, and any attempt to transfer any such benefit shall be void, and any such benefit shall not in any manner be liable for or subject to the debts, contracts, liabilities, engagements, or torts of any person who shall be entitled to such benefit, nor shall it be subject to attachment or legal process for or against such person.

**13.7 Clawbacks; Detrimental Conduct.**

(a) **Clawbacks.** All awards, amounts, or benefits received or outstanding under this Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction, or other similar action in accordance with any Company clawback or similar policy or any Applicable Law related to such actions. A Participant's acceptance of an Award will constitute the Participant's acknowledgement of and consent to the Company's application, implementation, and enforcement of any applicable Company clawback or similar policy that may apply to the Participant, whether adopted before or after the Effective Date, and any Applicable Law relating to clawback, cancellation, recoupment, rescission, payback, or reduction of compensation, and the Participant's agreement that the Company may take any actions that may be necessary to effectuate any such policy or Applicable Law, without further consideration or action.

(b) **Detrimental Conduct.** Except as otherwise determined by the Committee, notwithstanding any other term or condition of this Plan, if a Participant engages in Detrimental Conduct, whether during or after the Participant's service, in addition to any other penalties or restrictions that may apply under this Plan, Applicable Law or otherwise, the Participant must forfeit or pay to the Company the following:

(i) any and all outstanding Awards granted to the Participant, including Awards that have become vested or exercisable;

(ii) any cash or Shares received by the Participant in connection with this Plan within the 36-month period immediately before the date the Company determines the Participant has engaged in Detrimental Conduct; and

(iii) the profit realized by the Participant from the sale, or other disposition for consideration, of any Shares received by the Participant under this Plan within the 36-month period immediately before the date the Company determines the Participant has engaged in Detrimental Conduct.

**13.8 Listing and Other Conditions.**

(a) Unless otherwise determined by the Committee, as long as the Common Stock is listed on a national securities exchange or system sponsored by a national securities association, the issuance of Shares pursuant to an Award shall be conditioned upon such Shares being listed on such exchange or system. The Company shall have no obligation to issue such Shares unless and until such Shares are so listed, and the right to exercise any Option or other Award with respect to such Shares shall be suspended until such listing has been effected.

(b) If at any time counsel to the Company advises the Company that any sale or delivery of Shares pursuant to an Award is or may in the circumstances be unlawful or result in the imposition of excise taxes on the Company under Applicable Law, the Company shall have no obligation to make such sale or delivery, or to make any application or to effect or to maintain any qualification or registration under the Securities Act or otherwise, with respect to Shares or Awards, and the right to exercise any Option or other Award shall be suspended until, based on the advice of said counsel, such sale or delivery shall be lawful or will not result in the imposition of excise taxes on the Company.

(c) Upon termination of any period of suspension under this Section 13.8, any Award affected by such suspension which shall not then have expired or terminated shall be reinstated as to all Shares available before such suspension and as to Shares which would otherwise have become available during the period of such suspension, but no such suspension shall extend the term of any Award.

(d) A Participant shall be required to supply the Company with certificates, representations, and information that the Company requests and otherwise cooperate with the Company in obtaining any listing, registration, qualification, exemption, consent, or approval that the Company deems necessary or appropriate.

**13.9 Governing Law.** This Plan and actions taken in connection herewith shall be governed and construed in accordance with the laws of the State of Delaware, without reference to principles of conflict of laws.

**13.10 Construction.** Wherever any words are used in this Plan in the masculine gender they shall be construed as though they were also used in the feminine gender in all cases where they would so apply, and wherever words are used herein in the singular form they shall be construed as though they were also used in the plural form in all cases where they would so apply.

**13.11 Other Benefits.** No Award granted or paid out under this Plan shall be deemed compensation for purposes of computing benefits under any retirement plan of the Company or its Affiliates or affect any benefit or compensation under any other plan now or subsequently in effect under which the availability or amount of benefits is related to the level of compensation.

**13.12 Costs.** The Company shall bear all expenses associated with administering this Plan, including expenses of issuing Shares pursuant to Awards hereunder.

**13.13 No Right to Same Benefits.** The provisions of Awards need not be the same with respect to each Participant, and such Awards to individual Participants need not be the same in subsequent years.

**13.14 Death/Disability.** The Committee may in its discretion require the transferee of a Participant to supply it with written notice of the Participant's death or Disability and to supply it with a copy of the will (in the case of the Participant's death) or such other evidence as the Committee deems necessary to establish the validity of the transfer of an Award. The Committee may also require the agreement of the transferee to be bound by all of the terms and conditions of this Plan.

**13.15 Section 16(b) of the Exchange Act** It is the intent of the Company that this Plan satisfy, and be interpreted in a manner that satisfies, the applicable requirements of Rule 16b-3 as promulgated under Section 16 of the Exchange Act so that Participants will be entitled to the benefit of Rule 16b-3, or any other rule promulgated under Section 16 of the Exchange Act, and will not be subject to short-swing liability under Section 16 of the Exchange Act. Accordingly, if the operation of any provision of this Plan would conflict with the intent expressed in this Section 13.15, such provision to the extent possible shall be interpreted and/or deemed amended so as to avoid such conflict.

**13.16 Deferral of Awards.** The Committee may establish one or more programs under this Plan to permit selected Participants the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of performance criteria, or other event that absent the election would entitle the Participant to payment or receipt of Shares or other consideration under an Award. The Committee may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules, and procedures that the Committee deems advisable for the administration of any such deferral program.

**13.17 Section 409A of the Code** This Plan and Awards are intended to comply with or be exempt from the applicable requirements of Section 409A of the Code and shall be limited, construed, and interpreted in accordance with such intent. To the extent that any Award is subject to Section 409A of the Code, it shall be paid in a manner that will comply with Section 409A of the Code. Notwithstanding anything herein to the contrary, any provision in this Plan that is inconsistent with Section 409A of the Code shall be deemed to be amended to comply with or be exempt from Section 409A of the Code and, to the extent such provision cannot be amended to comply therewith or be exempt therefrom, such provision shall be null and void. The Company shall have no liability to a Participant, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee or the Company and, in the event that any amount or benefit under this Plan becomes subject to penalties under Section 409A of the Code, responsibility for payment of such penalties shall rest solely with the affected Participants and not with the Company. Notwithstanding any contrary provision in this Plan or Award Agreement, any payment(s) of "nonqualified deferred compensation" (within the meaning of Section 409A of the Code) that are otherwise required to be

made under this Plan to a “specified employee” (as defined under Section 409A of the Code) as a result of such employee’s separation from service (other than a payment that is not subject to Section 409A of the Code) shall be delayed for the first six (6) months following such separation from service (or, if earlier, until the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award Agreement) upon expiration of such delay period.

**13.18 Data Privacy.** As a condition of receipt of any Award, each Participant explicitly and unambiguously consents to the collection, use, and transfer, in electronic or other form, of personal data as described in this Section 13.18 by and among, as applicable, the Company and its Affiliates, for the exclusive purpose of implementing, administering, and managing this Plan and Awards and the Participant’s participation in this Plan. In furtherance of such implementation, administration, and management, the Company and its Affiliates may hold certain personal information about a Participant, including, but not limited to, the Participant’s name, home address, telephone number, date of birth, social security or insurance number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Affiliates, and details of all Awards (the “Data”). In addition to transferring the Data amongst themselves as necessary for the purpose of implementation, administration, and management of this Plan and Awards and the Participant’s participation in this Plan, the Company and its Affiliates may each transfer the Data to any third parties assisting the Company in the implementation, administration, and management of this Plan and Awards and the Participant’s participation in this Plan. Recipients of the Data may be located in the Participant’s country or elsewhere, and the Participant’s country and any given recipient’s country may have different data privacy laws and protections. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain, and transfer the Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration, and management of this Plan and Awards and the Participant’s participation in this Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Company or the Participant may elect to deposit any shares of Common Stock. The Data related to a Participant will be held only as long as is necessary to implement, administer, and manage this Plan and Awards and the Participant’s participation in this Plan. A Participant may, at any time, view the Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Data with respect to such Participant, recommend any necessary corrections to the Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting his or her local human resources representative. The Company may cancel the Participant’s eligibility to participate in this Plan, and in the Committee’s discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

**13.19 Successor and Assigns.** This Plan shall be binding on all successors and permitted assigns of a Participant, including, without limitation, the estate of such Participant and the executor, administrator, or trustee of such estate.

**13.20 Severability of Provisions.** If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

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**13.21 Headings and Captions.** The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Plan, and shall not be employed in the construction of this Plan.

**ARTICLE XIV  
EFFECTIVE DATE OF PLAN**

This Plan shall become effective on [•], which is the date of its adoption by the Board, subject to the approval of this Plan by the stockholders of the Company in accordance with the requirements of the laws of the State of Delaware.

**ARTICLE XV  
TERM OF PLAN**

No Award shall be granted pursuant to this Plan on or after the tenth anniversary of the earlier of the date that this Plan is adopted or the date of stockholder approval, but Awards granted prior to such tenth anniversary may extend beyond that date.

\* \* \* \* \*

## INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (this “Agreement”) is made and entered into as of [•], 2023 between Kodiak Gas Services, Inc., a Delaware corporation (the “Company”), and [•] (“Indemnitee”).

WHEREAS, highly competent persons have become more reluctant to serve corporations as directors or officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the board of directors of the Company (the “Board”) has determined that, to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the corporation or business enterprise itself. The bylaws of the Company (as amended or restated, the “Bylaws”) require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware (“DGCL”). The Bylaws and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the Board, officers of the Company and other persons with respect to indemnification;

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; [and]

WHEREAS, Indemnitee may not be willing to serve or continue to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve or continue to serve in such capacity; Indemnitee is willing to serve, continue to serve and take on additional service for or on behalf of the Company on the condition that Indemnitee be so indemnified[.]; and

[WHEREAS, Indemnitee has certain rights to indemnification and/or insurance provided by EQT AB (publ) (~~EQT~~), or affiliates of EQT, which Indemnitee and EQT intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided herein, with the Company's acknowledgment of and agreement to the foregoing being a material condition to Indemnitee's willingness to serve on the Board].<sup>1</sup>

NOW, THEREFORE, in consideration of Indemnitee's agreement to serve as a director or officer from and after the date hereof, the parties hereto agree as follows:

1. Indemnity of Indemnitee. Subject to the provisions of Section 9, the Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time, if Indemnitee was or is, or is threatened to be made, a party to, or otherwise becomes involved in, any Proceeding (as hereinafter defined) by reason of Indemnitee's Corporate Status (as hereinafter defined). In furtherance of the foregoing indemnification, and without limiting the generality thereof:

(a) Proceedings other than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in, or otherwise becomes involved in, any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company unless and only to the extent that the court in which the Proceeding was brought shall determine that Indemnitee is fairly and reasonably entitled to indemnification.

<sup>1</sup> Bracketed language to be included in form for EQT directors.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a party to or participant in and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, Indemnitee shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 1(c) and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(d) Indemnification of Nominating Member. If (i) Indemnitee is or was affiliated with one or more investment partnerships that has invested directly or indirectly in the Company (a "Nominating Member"), (ii) the Nominating Member is, or is threatened to be made, a party to or a participant in any Proceeding, and (iii) the Nominating Member's involvement in the Proceeding results from any claim based on the Indemnitee's service to the Company as a director or other fiduciary of the Company, the Nominating Member will be entitled to indemnification hereunder for Expenses to the same extent as Indemnitee and advancement of Expenses shall apply to any such indemnification of Nominating Member. The Company and Indemnitee agree that each Nominating Member is an express third party beneficiary of the terms of this Section 1(d).

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does, to the fullest extent permitted by applicable law, indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee or on Indemnitee's behalf if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company). The only limitation that shall exist upon the Company's obligations pursuant to this Agreement, other than those set forth in Section 9 hereof, shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful.

### 3. Contribution.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), to the fullest extent permitted by applicable law, the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not, without the Indemnitee's prior written consent, enter into any such settlement of any action, suit or proceeding (in whole or in part) unless such settlement (i) provides for a full and final release of all claims asserted against Indemnitee and (ii) does not impose any Expense, judgment, fine, penalty or limitation on Indemnitee.



(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), to the fullest extent permitted by applicable law, the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction or events from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the transaction or events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) To the fullest extent permitted by applicable law, the Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding, and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a witness, is made (or asked) to respond to discovery requests, or is otherwise asked to participate, in any Proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

5. Advancement of Expenses. Notwithstanding any other provision of this Agreement (other than Section 9), the Company shall advance, to the extent not prohibited by law, all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding (or part of any Proceeding) not initiated by Indemnitee or any Proceeding initiated by Indemnitee with the prior approval of the Board as provided in Section 9(d), within thirty (30) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnitee. Any advances pursuant to this Section 5 shall be unsecured and interest free. In accordance with Section 7(d) of this Agreement, advances shall include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. This Section 5 shall not apply to claim by Indemnitee for expenses in a matter for which indemnity and advancement of expenses is excluded pursuant to Section 9.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the DGCL and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (1) by a majority vote of the Disinterested Directors (as hereinafter defined), even though less than a quorum; (2) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum; (3) if there are no Disinterested Directors, or if the Disinterested Directors so direct, by

Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to Indemnitee; or (4) if so directed by the Board, by the stockholders of the Company; provided, however, that if a Change in Control has occurred, the determination with respect to Indemnitee's entitlement to indemnification shall be made by Independent Counsel. For purposes hereof, Disinterested Directors are those members of the Board who are not parties to the action, suit or proceeding in respect of which indemnification is sought by Indemnitee.

(c) In the event the determination of entitlement to indemnification is to be made by Independent Counsel, the Independent Counsel shall be selected as provided in this Section 6(c). If a Change in Control has not occurred, the Independent Counsel shall be selected by the Board, and the Company shall give written notice to the Indemnitee advising Indemnitee of the identity of the Independent Counsel so selected. Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 12 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the Person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If a Change in Control has occurred, the Independent Counsel shall be selected by the Indemnitee (unless the Indemnitee shall request that such selection be made by the Board, in which event the preceding sentence shall apply), and approved by the Board within 20 days after notification by Indemnitee. If (i) an Independent Counsel is to make the determination of entitlement pursuant to this Section 6, and (ii) within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected (including as a result of an objection to the selected Independent Counsel), either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a Person selected by the court or by such other Person as the court shall designate, and the Person with respect to whom all objections are so resolved or the Person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the Person making such determination shall to the fullest extent permitted by law presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof to overcome such presumption. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as hereinafter defined), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the Person empowered or selected under this Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall to the fullest extent permitted by law be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 30-day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if the Person making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the Person making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such Person upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including reasonable attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Person making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration), it shall to the fullest extent permitted by law be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

#### 7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within thirty (30) days after receipt by the Company of the request for indemnification or (iv) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification, contribution or advancement of Expenses. Alternatively, Indemnitee, at Indemnitee's option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial, or arbitration, on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b). In any judicial proceeding or arbitration commenced pursuant to this Section 7, Indemnitee shall be presumed to be entitled to indemnification under this Agreement and the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be,

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and the Company may not refer to, or introduce into evidence, any determination pursuant to Section 6(b) of this Agreement adverse to Indemnitee for any purpose other than to establish its compliance with the terms of this Agreement. If Indemnitee commences a judicial proceeding or arbitration pursuant to this Section 7, Indemnitee shall not be required to reimburse the Company for any advances pursuant to Section 5 until a final determination is made with respect to Indemnitee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading, in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, incurs costs, in a judicial or arbitration proceeding or otherwise, attempting to enforce Indemnitee's rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on Indemnitee's behalf, in advance, any and all expenses (of the types described in the definition of Expenses in Section 12 of this Agreement) actually and reasonably incurred by Indemnitee in such efforts, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery, to the fullest extent permitted by applicable law. It is the intent of the Company that, to the fullest extent permitted by applicable law, Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder.

(e) The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; [Primacy of Indemnification;] Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Amended & Restated Certificate of Incorporation of the Company (as amended or restated, the "Charter"), the Bylaws, any agreement, a vote of stockholders, a resolution of directors or otherwise, of the Company. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in Indemnitee's Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Charter, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company shall, if commercially reasonable, obtain and maintain in effect during the entire period for which the Company is obligated to indemnify Indemnitee under this Agreement, one or more policies of insurance with reputable insurance companies to provide the directors and officers of the Company with coverage for losses from wrongful acts and omissions and to ensure the Company's performance of its indemnification obligations under this Agreement. Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such officer or director under such policy or policies. In all such insurance policies, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee with the same rights and benefits as are accorded to the most favorably insured of the Company's directors and officers. At the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) [The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by EQT and certain affiliates that, directly or indirectly, (i) are controlled by, (ii) control or (iii) are under common control with, EQT (collectively, the "Fund Indemnitors"). With respect to any amounts that are subject to indemnity under this Agreement and also subject to an indemnity obligation owed by Fund Indemnitors, the Company hereby agrees (i) that, as compared to the Fund Indemnitors, the Company is the indemnitor of first resort with respect to any rights to indemnification provided to Indemnitee herein (i.e., its obligations to Indemnitee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee is secondary), (ii) that the Company shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Charter or Bylaws of the Company (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Fund Indemnitors, and (iii) that the Company irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the

Fund Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 8(c).<sup>2</sup>

(d) [Except as provided in Section 8(c) above,] in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee [(other than against the Fund Indemnitors)], who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) [Except as provided in Section 8(c) above,] the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable (or for which advancement of Expenses is provided) hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(f) [Except as provided in Section 8(c) above,] the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

9. Exception to Right of Indemnification. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity or advancement of expenses in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; provided, that the foregoing shall not affect the rights of Indemnitee or the Fund Indemnitors set forth in Section 8(c) above;] or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act (as hereinafter defined), or similar provisions of state statutory law or common law; or

<sup>2</sup> Bracketed language to be included in forms for EQT directors.



(c) for reimbursement to the Company of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, in each case as required under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") or Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act in connection with an accounting restatement of the Company or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act);

(d) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Company has joined in or the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, or (iii) the Proceeding is one to enforce Indemnitee's rights under this Agreement or;

(e) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act.

10. Non-Disclosure of Payments. Except as expressly required by the securities laws of the United States of America or other applicable law, neither party shall disclose any payments under this Agreement unless prior approval of the other party is obtained. If any payment information must be disclosed, the Company shall afford the Indemnitee an opportunity to review all such disclosures and, if requested, to explain in such statement any mitigating circumstances regarding the events to be reported.

11. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue until and terminate upon the later of (i) twenty (20) years after the date that Indemnitee shall have ceased to serve as a director or officer of the Company or a director, officer, trustee, partner, managing member, fiduciary, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which Indemnitee served at the request of the Company, and (ii) one (1) year after the final termination of any Proceeding (including any rights of appeal thereto) in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any Proceeding commenced by Indemnitee pursuant to Section 7 of this Agreement relating thereto (including any rights of appeal of any Proceeding commenced pursuant to Section 7 of this Agreement). Termination of this Agreement shall not adversely affect any right or protection hereunder of any Indemnitee in respect of any Proceeding (regardless of when such Proceeding is first threatened, commenced or completed) arising out of, or related to, any act or omission occurring prior to the time of such termination. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

12. Definitions. For purposes of this Agreement:

(a) “Beneficial Owner” shall have the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner shall exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(b) “Change in Control” shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) *Acquisition of Stock by Third Party*. Any Person (as defined below), other than EQT and its affiliates, and other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the Beneficial Owner (as defined above), directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities, unless the change in relative Beneficial Ownership of the Company’s securities by any Person results solely from a reduction in the aggregate number of outstanding securities entitled to vote generally in the election of directors;

(ii) *Change in Board of Directors*. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a Person who has entered into an agreement with the Company to effect a transaction described in Section 12(b)(i), 12(b)(iii) or 12(b)(iv)) whose election by the Board or nomination for election by the Company’s stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) *Corporate Transactions*. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity; and

(iv) *Liquidation*. The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement or series of agreements for the sale or disposition by the Company of all or substantially all of the Company's assets, or, if such approval is not required, the decision by the Board to proceed with such a liquidation, sale, or disposition in one transaction or a series of related transactions.

(c) "Corporate Status" describes the status of a person who is or was a director, officer, employee, agent or fiduciary of the Company, any direct or indirect subsidiary of the Company, or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(d) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "Enterprise" shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the request of the Company as a director, officer, trustee, partner, managing member, employee, agent or fiduciary.

(f) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(g) "Expenses" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts and other professionals, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any Person who, under the

applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and disbursements of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) "Person" shall have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(j) "Proceeding" includes any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Company, by reason of any action taken by Indemnitee or of any inaction on Indemnitee's part while acting as an officer or director of the Company, or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other enterprise; in each case whether or not Indemnitee is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce Indemnitee's rights under this Agreement.

13. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality, and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (ii) such provision or provisions shall be deemed reformed to the fullest extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (iii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee [and Nominating Member] indemnification rights to the fullest extent permitted by applicable laws.

14. Enforcement and Binding Effect.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as a director or officer of the Company.

(b) Without limiting any of the rights of Indemnitee under the Charter or Bylaws of the Company as they may be amended from time to time, this Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

(c) The indemnification and advancement of expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or of any other Enterprise at the Company's request, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(d) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(e) The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. The Company and Indemnitee further agree that Indemnitee shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company acknowledges that in the absence of a waiver, a bond or undertaking may be required of Indemnitee by the court, and the Company hereby waives any such requirement of such a bond or undertaking.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent:

(a) To Indemnitee at the address set forth below Indemnitee's signature hereto.

(b) To the Company at:

Kodiak Gas Services, Inc.  
15320 Highway 105 W, Suite 210  
Montgomery, Texas 77356  
Attention: Executive Vice President, Chief Legal Officer, Chief  
Compliance Officer and Corporate Secretary  
Email: [kelly.battle@kodiakgas.com](mailto:kelly.battle@kodiakgas.com)

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Usage of Pronouns. Use of the masculine pronoun shall be deemed to include usage of the feminine pronoun where appropriate.

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21. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict-of-laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 7 of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "Delaware Court"), and not in any other state or federal court in the United States of America or any court in any other country, and (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first written above.

**KODIAK GAS SERVICES, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**INDEMNITEE**

\_\_\_\_\_  
Name:  
Address:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature Page to Indemnification Agreement



**EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into as of December 21, 2018, by and between Frontier TopCo Partnership, L.P., a Delaware limited partnership ("Parent"), and Robert (Mickey) McKee (the "Executive").

## WITNESSETH:

WHEREAS, Executive is currently employed by Kodiak Gas Services, LLC (the "Company"); and WHEREAS, in connection with the transactions contemplated by the Acquisition Agreement, the Company will become a direct or indirect subsidiary of the Parent; and WHEREAS, Parent desires to continue employ Executive at the Company following the Closing and to enter into this Agreement embodying the terms of such continued employment, and Executive desires to enter into this Agreement and to accept such continued employment, subject to the terms and provisions of this Agreement; and WHEREAS, effective as of the Closing, without further action by the parties hereto, Parent shall assign and shall cause the Company to assume this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Parent and Executive hereby agree as follows:

**Section 1. Definitions. Capitalized terms not otherwise defined elsewhere in this Agreement shall have the meaning set forth in this Section 1.**

(a) "Accrued Obligations" shall mean (i) all accrued but unpaid Base Salary through the date of termination of Executive's employment, (ii) any unpaid or unreimbursed expenses incurred in accordance with Section 6 hereof, and (iii) any benefits provided under the Company's employee benefit plans upon a termination of employment, including rights with respect to equity participation under the Equity Documents, in accordance with the terms contained therein.

(b) "Acquisition Agreement" shall mean that certain the Membership Interest Purchase Agreement, dated as of the date hereof, by and among KGS Investments, a Texas corporation, SG-KGS, LLC, an Arkansas limited liability company, SG-Compression, LLC, an Arkansas limited liability company, Robert M. Mckee, a natural person, Jim Nokes, a natural person, John Ogren, a natural person, Rob Mckee, a natural person, David Marrs, a natural person, John Bott, a natural person, Jerry Bob McCollom, a natural person, W. J. Johnson Family Partnership, LLLP, a Georgia limited liability partnership, and Nokes Business Partnership, LTD., a Texas limited partnership and Frontier Acquisition I, Inc., a Delaware corporation.

(c) "Board" shall mean the Board of Directors of Parent.

(d) "Business" shall mean any business activities related to (i) compression services with Company-owned or leased equipment, (ii) providing compression and maintenance services for customer-owned or leased equipment, (iii) providing treatment services, single-service operations and/or ancillary services related thereto, in each case, to Persons engaged in the exploration, production, gathering, processing, transportation or distribution of oil and gas and (iv) any other business (x) ancillary to the activities described in the foregoing clauses (i) through (iii), or any other business activity that is materially competitive with the then current or demonstrably planned business activities of the Company Group.

(e) "Business Relation" shall mean any current or prospective client, customer, licensee, supplier, or other business relation of the Company Group, or any such relation that was a client, customer, licensee or other business relation within the prior six (6) month period, in each case, with whom Executive transacted business or whose identity became known to Executive in connection with his employment hereunder.

(f) "Cause" shall mean (i) willful neglect in the performance of the Executive's duties for the Company or willful or repeated failure or refusal to perform such duties; (ii) engagement in conduct in connection with the Executive's employment or services with the Company, which results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or any other member of the Company Group; (iii) conviction of, or plea of guilty or no contest to, (A) any felony or (B) any other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Employer or any other member of the Company Group; (iv) material violation of the written policies of the Company, including but not limited to those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company; (v) fraud or misappropriation, embezzlement, or misuse of funds or property belonging to the Employer or any other member of the Company Group; (vi) act of personal dishonesty that involves personal profit in connection with the Executive's employment hereunder; or (vii) breach of Section 9 hereof or any Other Covenants. Executive's resignation following an event that would be grounds for a termination for Cause will be treated as a termination for Cause for all purposes hereunder.

(g) "Closing" has the meaning set forth in the Acquisition Agreement.

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

(i) "Company Group" shall mean the Parent together with any of its direct or indirect subsidiaries, including the Company.

(j) "Compensation Committee" shall mean the committee of the Board designated to make compensation decisions relating to senior executive officers of the Company Group. Prior to any time that such a committee has been designated, the Board shall be deemed the Compensation Committee for purposes of this Agreement.

(k) "Confidential Information" means information that the Company Group has or will develop, acquire, create, compile, discover, or own, that has value in or to the business of the Company Group that is not generally known and that the Company wishes to maintain as confidential. Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products, research, or development of the Company Group, or to the Company Group's technical data, trade secrets, or know-how, including, but not limited to, research, plans, or other information regarding the

Company Group's products or services and markets, customer lists, and customers (including, but not limited to, customers of the Company on whom Executive called or with whom Executive may become acquainted during the Term of Employment), software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company either directly or indirectly in writing, orally, or by drawings or inspection of premises, parts, equipment, or other Company Group property. Notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by Executive or others who were under confidentiality obligations as to the item or items involved.

(l) "Disability" shall mean any physical or mental disability or infirmity of Executive that prevents the performance of Executive's duties for a period of (i) ninety (90) consecutive days or (ii) one hundred twenty (120) non-consecutive days during any twelve (12) month period. Any question as to the existence, extent, or potentiality of Executive's Disability upon which Executive and the Company cannot agree shall be determined by a qualified, independent physician mutually selected by the Company and Executive or Executive's representative (which approval shall not be unreasonably withheld, delayed or conditioned). The determination of any such physician shall be final and conclusive for all purposes of this Agreement.

(m) "Good Reason" shall mean, without Executive's consent, (i) a material demotion in Executive's title, duties, or responsibilities as set forth in Section 3 hereof; *provided, however*, that in connection with any sale, merger or similar transaction involving all or substantially all of the business or assets of the Company, neither the acquiring entity's change in Executive's title or reporting relationship(s) in connection with such transaction nor Executive's duties and responsibilities being performed at a division or subsidiary of the acquiring entity shall, itself, constitute Good Reason, (ii) a 5% or more reduction in Base Salary set forth in Section 4(a) hereof or Target Bonus opportunity set forth in Section 4(b) hereof (other than pursuant to an across-the-board reduction applicable to all similarly situated executives), (iii) the relocation of Executive's principal place of employment (as provided in Section 3(c) hereof) more than thirty (30) miles from its current location, (iv) a material diminution in the aggregate benefits offered under the Company's benefit programs, including but not limited to employer health, vision, or dental employee paid premiums, vehicle allowance program or 401(k) plan, other than as a result of, or response to, changes in applicable law or customary changes across businesses in the United States, or (v) any other material breach of a provision of this Agreement by the Company (other than a provision that is covered by clause (i), (ii), or (iii) above). Executive acknowledges and agrees that his exclusive remedy in the event of any breach of this Agreement shall be to assert Good Reason pursuant to the terms and conditions of Section 7(f) hereof. Notwithstanding the foregoing, during the Term of Employment, in the event that the Board reasonably believes that Executive may have engaged in conduct that could constitute Cause hereunder, the Board may, in its sole and absolute discretion, suspend Executive from performing his duties hereunder, and in no event shall any such suspension constitute an event pursuant to which Executive may terminate employment with Good Reason or otherwise constitute a breach hereunder; *provided*, that no such suspension shall alter the Company's obligations under this Agreement during such period of suspension.

(n) “Interfering Activities” shall mean (A) recruiting, encouraging, soliciting, or inducing, or in any manner attempting to recruit, encourage, solicit, or induce, any Person employed by, or providing consulting services to, any member of the Company Group to terminate such Person’s employment or services (or in the case of a consultant, materially reducing such services) with the Company Group, (B) hiring any individual who was employed by the Company Group within the six (6) month period prior to the date of such hiring, (C) soliciting or accepting business, in each case, in a manner that is competitive with the Business, from any Business Relation, or (D) encouraging, soliciting, or inducing, or in any manner attempting to encourage, solicit, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company Group, or in any way interfering with the relationship between any such Business Relation and the Company Group.

(o) “Person” shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(p) “Post-Termination Restricted Period” shall mean the period commencing on the date of the termination of the Employment Period for any reason (other than a resignation without Good Reason) and ending on the one and a half (1.5) year anniversary of such date of termination. Upon a termination without Good Reason, the Post-Termination Restricted Period shall be 6 months following such date of termination; *provided, however*, that prior to the expiration of the Post-Termination Restricted Period, the Company may elect to extend such period by a period of up to an additional 12 months, in which case, for each month of such extended period, the Company shall pay Executive a monthly amount equal to Base Salary divided by 12.

(q) “Release of Claims” shall mean the Release of Claims in substantially the same form attached hereto as Exhibit A (as the same may be revised from time to time by the Company upon the advice of counsel).

(r) “Severance Term” shall mean the eighteen (18) month period following Executive’s termination by the Company without Cause (other than by reason of death or Disability) or by Executive with Good Reason.

## **Section 2. Acceptance and Term of Employment.**

The Company agrees to continue to employ Executive, and Executive agrees to continue to serve the Company, on the terms and conditions set forth herein. Executive’s employment hereunder shall commence on the Closing and continue until terminated as provided in Section 7 hereof (“Term of Employment”).

## **Section 3. Position, Duties, and Responsibilities; Place of Performance.**

(a) Position, Duties, and Responsibilities. During the Term of Employment, Executive shall be employed and serve as the President of the Company (together with such other position or positions consistent with Executive’s title as the Board shall specify from time to time) and shall have such duties and responsibilities commensurate with such title. Executive also agrees to serve as an officer and/or director of any other member of the Company Group, in each case without additional compensation.

(b) Performance. Executive shall devote his full business time, attention, skill, and best efforts to the performance of his duties under this Agreement and shall not engage in any other business or occupation during the Term of Employment, including, without limitation, any activity that (x) conflicts with the interests of the Company or any other member of the Company Group, (y) interferes with the proper and efficient performance of Executive's duties for the Company, or (z) interferes with Executive's exercise of judgment in the Company's best interests. Notwithstanding the foregoing, nothing herein shall preclude Executive from (i) serving, with the prior written consent of the Board, as a member of the board of directors or advisory board (or the equivalent in the case of a non-corporate entity) of a non-competing for-profit business and one or more charitable organizations, (ii) engaging in charitable activities and community affairs, and (iii) managing Executive's personal investments and affairs; *provided, however*, that the activities set out in clauses (i), (ii), and (iii) shall be limited by Executive so as not to materially interfere, individually or in the aggregate, with the performance of his duties and responsibilities hereunder.

(c) Principal Place of Employment. Executive's principal place of employment shall be in Montgomery, Texas, although Executive understands and agrees that he may be required to travel from time to time for business reasons.

#### **Section 4. Compensation.**

During the Term of Employment, Executive shall be entitled to the following compensation:

(a) Base Salary. Executive shall be paid an annualized base salary (the "Base Salary"), payable in accordance with the regular payroll practices of the Company, of not less than \$424,000, to be reviewed at least annually for adjustments, if any, commensurate with the broader workforce and with any such adjustments to be approved in writing by the Compensation Committee.

(b) Annual and/or Quarterly Bonus. Executive shall be eligible for an annual and/or a quarterly incentive bonus award determined by the Compensation Committee in respect of each fiscal year or quarter, as applicable, during the Term of Employment (the "Annual Bonus" or the "Quarterly Bonus," as applicable, and either, a "Bonus"). The target Annual Bonus for each fiscal year shall be 43.3% of Base Salary (the "Target Annual Bonus") and the target Quarterly Bonus for each fiscal quarter shall be 7.5% of Base Salary (the "Target Quarterly Bonus"), and, together with the Target Annual Bonus, the "Target Bonus") which, at the Board's election, may be payable annually or quarterly, with the actual Bonus payable being based upon the level of achievement of Company and individual performance objectives for such fiscal year or quarter, as applicable, as determined by the Compensation Committee and communicated to Executive. The Bonus shall otherwise be subject to the terms and conditions of the Company's bonus plan adopted by the Board or the Compensation Committee, if any, under which bonuses are generally payable to senior executives of the Company, as in effect from time to time. The Bonus shall be paid to Executive at the same time as annual or quarterly bonuses, as applicable, are generally payable to other senior executives of the Company subject to Executive's continuous employment through the applicable payment date (subject to Section 7 below). The Bonus for the fiscal year or quarter, as applicable, in which the Closing occurs will not be prorated to reflect a partial year or quarter, as applicable, of employment hereunder.

(c) Equity Participation. In connection with the commencement of Executive's employment hereunder, Executive shall be entitled to participate in and receive a grant under, the Parent 2018 Class B Unit Incentive Plan (which will be adopted in connection with the Closing), pursuant to the terms of such plan, an award agreement and such other documents Executive is required to execute pursuant to the terms of such plan (the "Equity Documents"). Executive's equity participation shall be exclusively governed by the terms of the Equity Documents, the material terms of which are set forth on the "Project Frontier Management Equity Term Sheet" attached hereto as Exhibit B.

**Section 5. Employee Benefits.**

During the Term of Employment, Executive shall be entitled to participate in health, insurance, retirement, and other benefits provided generally to similarly situated employees of the Company. Executive shall also be entitled to the same number of holidays, vacation days, and sick days, as well as any other benefits, in each case as are generally allowed to similarly situated employees of the Company in accordance with the Company policy as in effect from time to time. Nothing contained herein shall be construed to limit the Company's ability to amend, suspend, or terminate any employee benefit plan or policy at any time, and the right to do so is expressly reserved.

**Section 6. Reimbursement of Business Expenses.**

Executive is authorized to incur reasonable business expenses in carrying out his duties and responsibilities under this Agreement, and the Company shall promptly reimburse him for all such reasonable business expenses, subject to documentation in accordance with the Company's policy, as in effect from time to time.

**Section 7. Termination of Employment.**

(a) General. The Term of Employment, and Executive's employment hereunder, shall terminate upon the earliest to occur of (i) Executive's death, (ii) a termination by reason of a Disability, (iii) a termination by the Company with or without Cause, and (iv) a termination by Executive with or without Good Reason. Except as otherwise expressly required by law (e.g., COBRA) or as specifically provided herein, all of Executive's rights to Base Salary, Annual Bonus and/or Quarterly Bonus, employee benefits and other compensatory amounts hereunder (if any) shall cease upon the termination of Executive's employment hereunder.

(b) Deemed Resignation. Upon any termination of Executive's employment for any reason, except as may otherwise be requested by the Company in writing and agreed upon in writing by Executive, Executive shall be deemed to have resigned from any and all directorships, committee memberships, and any other positions Executive holds with the Company or any other member of the Company Group.

(c) Termination Due to Death or Disability. Executive's employment shall terminate automatically upon his death. The Company may terminate Executive's employment immediately upon the occurrence of a Disability, such termination to be effective upon Executive's receipt of written notice of such termination. Upon Executive's death or in the event that Executive's employment is terminated due to his Disability, Executive or his estate or his beneficiaries, as the case may be, shall be entitled to:

(i) The Accrued Obligations; and

(ii) Any unpaid Bonus in respect of any completed fiscal year or quarter, as applicable, that has ended prior to the date of such termination, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of the fiscal year in which such termination occurred; and

(iii) Subject to satisfaction of the applicable performance objectives applicable for the fiscal year and/or quarter, as applicable, in which such termination occurs, an amount equal to (A) the Annual Bonus and/or Quarterly Bonus otherwise payable to Executive for the fiscal year or quarter, as applicable, in which such termination occurred, assuming Executive had remained employed through the applicable payment date, multiplied by (B) a fraction, the numerator of which is the number of days elapsed from the commencement of such fiscal year or quarter, as applicable, through the date of such termination and the denominator of which is 365 (or 366, as applicable) or 91 (or 92, as applicable), as applicable, (the "Pro Rata Bonus Amount") which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of the fiscal year in which such termination occurred.

Following Executive's death or a termination of Executive's employment by reason of a Disability, except as set forth in this Section 7(c), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(d) Termination by the Company for Cause.

(i) The Company may terminate Executive's employment at any time for Cause, effective upon delivery to Executive of written notice of such termination; *provided, however,* that with respect to any Cause termination relying on (i), (ii), (iv) or (vi) of the definition of Cause, to the extent that such act or acts or failure or failures to act are curable, Executive shall be given not less than thirty (30) days' written notice by the Board of the Company's intention to terminate him for Cause, such notice to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based, and such termination shall be effective at the expiration of such thirty (30) day notice period unless Executive has fully cured such act or acts or failure or failures to act that give rise to Cause during such period.

(ii) In the event that the Company terminates Executive's employment for Cause, he shall be entitled only to the Accrued Obligations. Following such termination of Executive's employment for Cause, except as set forth in this Section 7(d)(ii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(e) Termination by the Company without Cause. The Company may terminate Executive's employment at any time without Cause, effective upon delivery to Executive of written notice of such termination. In the event that Executive's employment is terminated by the Company without Cause (other than due to death or Disability), Executive shall be entitled to:

(i) The Accrued Obligations;

(ii) Any unpaid Bonus in respect of any completed fiscal year or quarter, as applicable, that has ended prior to the date of such termination, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of the fiscal year in which such termination occurred;

(iii) The Pro Rata Bonus Amount, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of the fiscal year in which such termination occurred;

(iv) An amount equal to the Base Salary, such amount to be paid in substantially equal payments during the Severance Term, and payable in accordance with the Company's regular payroll practices; and

(v) Subject to Executive's election of COBRA continuation coverage under the Company's group health plan, payment, on the first regularly scheduled payroll date of each month during the Severance Term, of an amount equal to the difference between the monthly COBRA premium cost and the monthly contribution paid by active employees for the same coverage; *provided*, that the payments described in this clause (v) shall cease earlier than the expiration of the Severance Term in the event that Executive becomes eligible to receive any health benefits as a result of subsequent employment or service during the Severance Term.

Notwithstanding the foregoing, the payments and benefits described in clauses (ii), (iii), (iv) and (v) above shall immediately terminate, and the Company shall have no further obligations to Executive with respect thereto, in the event that Executive breaches any provision set forth in Section 9 hereof. Following such termination of Executive's employment by the Company without Cause, except as set forth in this Section 7(e), Executive shall have no further rights to any compensation or any other benefits under this Agreement. For the avoidance of doubt, Executive's sole and exclusive remedy upon a termination of employment by the Company without Cause shall be receipt of the Severance Benefits; *provided*, that the Company shall reimburse Executive for reasonable, documented attorneys' fees actually incurred in connection with the enforcement of this Agreement to the extent Executive is successful in such enforcement action, not to exceed \$20,000.

(f) Termination by Executive with Good Reason. Executive may terminate his employment with Good Reason by providing the Company thirty (30) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the occurrence of such event.



During such thirty (30) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, Executive's termination will be effective upon the expiration of such cure period, and Executive shall be entitled to the same payments and benefits as provided in Section 7(e) hereof for a termination by the Company without Cause, subject to the same conditions on payment and benefits as described in Section 7(c) hereof. Following such termination of Executive's employment by Executive with Good Reason, except as set forth in this Section 7(f), Executive shall have no further rights to any compensation or any other benefits under this Agreement. For the avoidance of doubt, Executive's sole and exclusive remedy upon a termination of employment with Good Reason shall be receipt of the Severance Benefits.

(g) Termination by Executive without Good Reason. Executive may terminate his employment without Good Reason by providing the Company sixty (60) days' written notice of such termination. In the event of a termination of employment by Executive under this Section 7(g), Executive shall be entitled only to the Accrued Obligations. In the event of termination of Executive's employment under this Section 7(g), the Company may, in its sole and absolute discretion, by written notice accelerate such date of termination without changing the characterization of such termination as a termination by Executive without Good Reason. Following such termination of Executive's employment by Executive without Good Reason, except as set forth in this Section 7(g), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(h) Release. Notwithstanding any provision herein to the contrary, the payment of any amount or provision of any benefit pursuant to subsection (d) or (e) of this Section 7 (collectively, the "Severance Benefits"), other than the Accrued Obligations, shall be conditioned upon Executive's execution, delivery to the Company, and non-revocation of the Release of Claims (and the expiration of any revocation period contained in such Release of Claims) within sixty (60) days following the date of Executive's termination of employment hereunder (the "Release Execution Period"). If Executive fails to execute the Release of Claims in such a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period, or timely revokes his acceptance of such release following its execution, Executive shall not be entitled to any of the Severance Benefits. No portion of the Severance (other than Accrued Obligations) shall be paid until the Release has become effective and all amounts shall commence to be paid on the first regular payroll date of the Company after the Release has become effective; *provided*, that, if the Release Execution Period overlaps two calendar years, the first payment shall not be made sooner than the first day of the second year, and shall include any missed payments.

#### **Section 8. Certain Payments.**

In the event that (i) Executive is entitled to receive any payment, benefit or distribution of any type to or for the benefit of Executive, whether paid or payable, provided or to be provided, or distributed or distributable, pursuant to the terms of this Agreement or otherwise (collectively, the "Payments"), and (ii) the net after-tax amount of such Payments, after Executive has paid all taxes due thereon (including, without limitation, taxes due under Section 4999 of the Code) is less than the net after-tax amount of all such Payments otherwise due to Executive in the aggregate, if such Payments were reduced to an amount equal to 2.99 times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code), then the aggregate amount of such Payments payable to Executive shall be reduced to an amount that will equal 2.99 times

Executive's base amount. To the extent such aggregate parachute payment amounts are required to be so reduced, the parachute payment amounts due to Executive (but no non-parachute payment amounts) shall be reduced in the following order: (i) the parachute payments that are payable in cash shall be reduced (if necessary, to zero) with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity, valued at full value (rather than accelerated value), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24); and (iii) all other non-cash benefits not otherwise described in clause (ii) of this Section 8 reduced last.

#### **Section 9. Restrictive Covenants**

(a) General. Executive acknowledges and recognizes the highly competitive nature of the business of the Company Group, that access to Confidential Information renders Executive special and unique within the industry of the Company Group, and that Executive will have the opportunity to develop substantial relationships with existing and prospective clients, accounts, customers, consultants, contractors, investors, and strategic partners of the Company Group during the course of and as a result of Executive's employment with the Company. In light of the foregoing, as a condition of Executive's employment by the Company, and in consideration of Executive's employment hereunder and the compensation and benefits provided herein, Executive acknowledges and agrees to the covenants contained in this Section 9. Executive further recognizes and acknowledges that the restrictions and limitations set forth in this Section 9 are reasonable and valid in geographical and temporal scope and in all other respects and are essential to protect the value of the business and assets of the Company Group.

#### (b) Confidential Information.

(i) Executive acknowledges that, during the Term of Employment, Executive will have access to information about the Company Group and that his employment with the Company shall bring him into close contact with confidential and proprietary information of the Company Group. In recognition of the foregoing, Executive agrees, at all times during the Term of Employment and thereafter, to hold in confidence, and not to use, except for the benefit of the Company Group, or to disclose to any Person without written authorization of the Company, any Confidential Information.

(ii) Nothing in this Agreement shall prohibit or impede Executive from communicating, cooperating or filing a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Executive understands and acknowledges that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (i) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive understands and acknowledges further that an individual

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who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. Moreover, Executive is not required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of Company's General Counsel or other officer designated by the Company.

(c) Assignment of Intellectual Property.

(i) Executive agrees that he will, without additional compensation, promptly make full written disclosure to the Company, and will hold in trust for the sole right and benefit of the Company all developments, original works of authorship, inventions, concepts, know-how, improvements, trade secrets, and similar proprietary rights, whether or not patentable or registrable under copyright or similar laws, which Executive may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the Term of Employment, whether or not during regular working hours, provided they either (i) relate at the time of conception or reduction to practice of the invention to the business of any member of the Company Group, or actual or demonstrably anticipated research or development of any member of the Company Group; (ii) result from or relate to any work performed for any member of the Company Group; or (iii) are developed through the use of equipment, supplies, or facilities of any member of the Company Group, or any Confidential Information, or in consultation with personnel of any member of the Company Group (collectively referred to as "Developments"). Executive further acknowledges that all Developments made by Executive (solely or jointly with others) within the scope of and during the Term of Employment are "works made for hire" (to the greatest extent permitted by applicable law) for which Executive is, in part, compensated by his Base Salary, unless regulated otherwise by law, but that, in the event any such Development is deemed not to be a work made for hire, Executive hereby assigns to the Company, or its designee, all Executive's right, title, and interest throughout the world in and to any such Development.

(ii) Executive agrees to assist the Company, or its designee, at the Company's expense, in every way to secure the rights of the Company Group in the Developments and any copyrights, patents, trademarks, service marks, database rights, domain names, mask work rights, moral rights, and other intellectual property rights relating thereto in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments that the Company shall deem necessary in order to apply for, obtain, maintain, and transfer such rights and in order to assign and convey to the Company Group the sole and exclusive right, title, and interest in and to such Developments, and any intellectual property and other proprietary rights relating thereto. Executive further agrees that his obligation to execute or cause to be executed, when it is in Executive's power to do so, any such

instrument or papers shall continue after the termination of the Term of Employment until the expiration of the last such intellectual property right to expire in any country of the world; *provided, however*, that the Company shall reimburse Executive for his reasonable expenses incurred in connection with carrying out the foregoing obligation. If the Company is unable because of Executive's mental or physical incapacity or unavailability for any other reason to secure Executive's signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Developments or original works of authorship assigned to the Company as above, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact to act for and in Executive's behalf and stead to execute and file any such applications or records and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance, and transfer of letters patent or registrations thereon with the same legal force and effect as if originally executed by me. Executive hereby waives and irrevocably quitclaims to the Company any and all claims, of any nature whatsoever, that Executive now or hereafter have for past, present, or future infringement of any and all proprietary rights assigned to the Company.

(d) Non-Competition. During the Term of Employment and the Post-Termination Restricted Period, Executive shall not, directly or indirectly engage in, have any equity interest in, or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, member, security holder, consultant or otherwise) that engages in any business, directly or indirectly (through a subsidiary or otherwise), which competes with the Business within the United States of America or any other jurisdiction in which any member of the Company Group engages in business, derives a material portion of its revenues or has demonstrable plans to commence business activities; *provided*, that during the Post-Termination Restricted Period (i) "Business" shall refer only to business activities related to lines of business that the Company Group then-currently engages in or has plans to engage in as of Executive's termination of employment and (ii) solely in any areas of operation in which any member of the Company Group engages in business, derives a material portion of its revenues or has demonstrable plans to commence business activities in as of Executive's termination of employment.

Notwithstanding the foregoing, Executive may purchase or otherwise own up to (but not more than) 2.00% of any class of securities of any enterprise (but without otherwise participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Securities Exchange Act of 1934.

(e) Non-Interference. During the Term of Employment and the Post-Termination Restricted Period, Executive shall not, directly or indirectly for his own account or for the account of any other Person, engage in Interfering Activities.

(f) Non-Disparagement. During the Term of Employment and at all times thereafter, Executive agrees not to make any statement (directly or through Executive's representatives) that is intended to become public, or should reasonably be expected to become public, and that criticizes, ridicules, disparages or is otherwise derogatory of any member of the

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Company Group or their respective employees, officers, directors, or equity holders; provided, that the limitations set forth in this Section 9(f) shall not apply in respect of any statement that is required to be made by applicable law, is the type of communication described in Section 9(b)(ii), or is reasonably necessary in connection with the enforcement of rights under this Agreement or any other written agreement to which the Company or any other member of the Company Group, on the one hand, and Executive or any of Executive's affiliates, on the other hand, are parties.

(g) Return of Documents. In the event of Executive's termination of employment hereunder for any reason, Executive shall deliver to the Company (and will not keep in his possession, recreate, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, and property developed by Executive pursuant to his employment hereunder or otherwise belonging to the Company Group.

(h) Independence; Severability; Blue Pencil. Each of the rights enumerated in this Section 9 shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company Group at law or in equity. If any of the provisions of this Section 9 or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable, the same shall not affect the remainder of this Section 9, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, each of the Company and Executive agree that the court making such determination shall have the power to reduce the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable.

(i) Injunctive Relief. Executive expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Section 9 may result in substantial, continuing, and irreparable injury to the members of the Company Group.

Therefore, Executive hereby agrees that, in addition to any other remedy that may be available to the Company, any member of the Company Group shall be entitled to seek injunctive relief, specific performance, or other equitable relief by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 9. Notwithstanding any other provision to the contrary, Executive acknowledges and agrees that the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in this Section 9 and during any other period required for litigation during which the Company or any other member of the Company Group seeks to enforce such covenants against Executive if it is ultimately determined that Executive was in breach of such covenants.

(j) Other Covenants. Notwithstanding anything contained in this Agreement to the contrary, in the event that Executive is subject to similar restrictive covenants pursuant to any other agreement with any member of the Company Group, including, without limitation, under the Equity Documents ("Other Covenants"), the covenants contained in this Agreement shall be in addition to, and not in lieu of, any such Other Covenants, and enforcement by the Company of the covenants contained in this Agreement shall not preclude the applicable member of the Company Group from enforcing such Other Covenants in accordance with their terms.

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**Section 10. Representations and Warranties of Executive.**

Executive represents and warrants to the Company that:

(a) Executive is entering into this Agreement voluntarily and that his employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by him of any agreement to which he is a party or by which he may be bound;

(b) Executive has not violated, and in connection with his employment with the Company will not violate, any non-solicitation, non-competition, or other similar covenant or agreement with any Person by which he is or may be bound;

(c) In connection with his employment with the Company, Executive will not use any confidential or proprietary information he may have obtained in connection with employment or service with any prior service recipient; and

(d) Executive has not been terminated from any prior employer or service recipient, or otherwise disciplined in connection with any such relationship, in connection with, or as a result of, any claim of workplace sexual harassment or sex or gender discrimination, and to Executive's knowledge, Executive has not been the subject of any investigation, formal allegation, civil or criminal complaint, charge, or settlement regarding workplace sexual harassment or sex or gender discrimination.

**Section 11. Taxes.**

The Company may withhold from any payments made under this Agreement all applicable taxes, including but not limited to income, employment, and social insurance taxes, as shall be required by law. Executive acknowledges and represents that the Company has not provided any tax advice to him in connection with this Agreement and that he has been advised by the Company to seek tax advice from his own tax advisors regarding this Agreement and payments that may be made to him pursuant to this Agreement, including specifically, the application of the provisions of Section 409A of the Code to such payments.

**Section 12. Set Off; Mitigation.**

The Company's obligation to pay Executive the amounts provided and to make the arrangements provided hereunder shall be subject to set-off, counterclaim, or recoupment of amounts owed by Executive to the Company or its affiliates; *provided, however*, that to the extent any amount so subject to set-off, counterclaim, or recoupment is payable in installments hereunder, such set-off, counterclaim, or recoupment shall not modify the applicable payment date of any installment, and to the extent an obligation cannot be satisfied by reduction of a single installment payment, any portion not satisfied shall remain an outstanding obligation of Executive and shall be applied to the next installment only at such time the installment is otherwise payable pursuant to the specified payment schedule. Executive shall not be required to mitigate the amount of any payment provided pursuant to this Agreement by seeking other employment or otherwise, and except as provided in Section 7(e)(v) hereof, the amount of any payment provided for pursuant to this Agreement shall not be reduced by any compensation earned as a result of Executive's other employment or otherwise.

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**Section 13. Additional Section 409A Provisions.**

Notwithstanding any provision in this Agreement to the contrary:

(a) Any payment otherwise required to be made hereunder to Executive at any date as a result of the termination of Executive's employment shall be delayed for such period of time as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code (the "Delay Period"). On the first business day following the expiration of the Delay Period, Executive shall be paid, in a single cash lump sum, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence, and any remaining payments not so delayed shall continue to be paid pursuant to the payment schedule set forth herein.

(b) Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A of the Code.

(c) Notwithstanding anything herein to the contrary, the payment (or commencement of a series of payments) hereunder of any nonqualified deferred compensation (within the meaning of Section 409A of the Code) upon a termination of employment shall be delayed until such time as Executive has also undergone a "separation from service" as defined in Treas. Reg. 1.409A-1(h), at which time such nonqualified deferred compensation (calculated as of the date of Executive's termination of employment hereunder) shall be paid (or commence to be paid) to Executive on the schedule set forth in this Section 7 as if Executive had undergone such termination of employment (under the same circumstances) on the date of his ultimate "separation from service."

(d) To the extent that any right to reimbursement of expenses or payment of any benefit-in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Code), (i) any such expense reimbursement shall be made by the Company no later than the last day of the taxable year following the taxable year in which such expense was incurred by Executive, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided, however*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect.

(e) While the payments and benefits provided hereunder are intended to be structured in a manner to avoid the implication of any penalty taxes under Section 409A of the Code, in no event whatsoever shall any member of the Company Group be liable for any additional tax, interest, or penalties that may be imposed on Executive as a result of Section 409A of the Code or any damages for failing to comply with Section 409A of the Code (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A of the Code).

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**Section 14. Successors and Assigns; No Third-Party Beneficiaries.**

(a) The Company. This Agreement shall inure to the benefit of the Company and its respective successors and assigns. Neither this Agreement nor any of the rights, obligations, or interests arising hereunder may be assigned by the Company to a Person (other than another member of the Company Group, or its or their respective successors) without Executive's prior written consent (which shall not be unreasonably withheld, delayed, or conditioned); *provided, however*, that in the event of a sale of all or substantially all of the assets of the Company or any direct or indirect division or subsidiary thereof to which Executive's employment primarily relates, the Company may provide that this Agreement will be assigned to, and assumed by, the acquiror of such assets, division or subsidiary, as applicable, without Executive's consent.

(b) Executive. Executive's rights and obligations under this Agreement shall not be transferable by Executive by assignment or otherwise, without the prior written consent of the Company; *provided, however*, that if Executive shall die, all amounts then payable to Executive hereunder shall be paid in accordance with the terms of this Agreement to Executive's devisee, legatee, or other designee, or if there be no such designee, to Executive's estate.

(c) No Third-Party Beneficiaries. Except as otherwise set forth in Section 7(c) or Section 14(b) hereof, nothing expressed or referred to in this Agreement will be construed to give any Person other than the Company, the other members of the Company Group, and Executive any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

**Section 15. Waiver and Amendments.**

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by each of the parties hereto; *provided, however*, that any such waiver, alteration, amendment, or modification must be consented to on the Company's behalf by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

**Section 16. Severability.**

If any covenants or such other provisions of this Agreement are found to be invalid or unenforceable by a final determination of a court of competent jurisdiction, (a) the remaining terms and provisions hereof shall be unimpaired, and (b) the invalid or unenforceable term or provision hereof shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision hereof.

**Section 17. Governing Law; Waiver of Jury Trial.**

THIS AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT.



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**Section 18. Notices.**

(a) Place of Delivery. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom or which it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided; *provided, however*, that unless and until some other address be so designated, all notices and communications by Executive to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices and communications by the Company to Executive may be given to Executive personally or may be mailed to Executive at Executive's last known address, as reflected in the Company's records.

(b) Date of Delivery. Any notice so addressed shall be deemed to be given (i) if delivered by hand, on the date of such delivery, (ii) if mailed by courier or by overnight mail, on the first business day following the date of such mailing, and (iii) if mailed by registered or certified mail, on the third business day after the date of such mailing.

**Section 19. Section Headings.**

The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof or affect the meaning or interpretation of this Agreement or of any term or provision hereof.

**Section 20. Entire Agreement.**

This Agreement, together with any exhibits attached hereto, constitutes the entire understanding and agreement of the parties hereto regarding the employment of Executive. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings, and agreements between the parties relating to the subject matter of this Agreement.

**Section 21. Survival of Operative Sections.**

Upon any termination of Executive's employment, the provisions of Section 7 through Section 22 of this Agreement (together with any related definitions set forth on Appendix A) shall survive to the extent necessary to give effect to the provisions thereof.

**Section 22. Counterparts.**

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

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**Section 23. Conditional Upon Closing of Transactions.**

This Agreement shall be conditioned upon the closing of the transactions contemplated by the Acquisition Agreement. In the event that the Acquisition Agreement terminates prior to the closing of the transactions contemplated thereby, this Agreement shall be void *ab initio*.

\* \* \*

[Signatures to appear on the following page.]

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

FRONTIER TOPCO PARTNERSHIP, L.P.

By: Frontier TopCo GP, LLC, its general partner

/s/ Nathalie Brabers

By: Nathalie Brabers

Title: President

/s/ Willem van Rooyen

By: Willem van Rooyen

Title: Secretary

*[Signature Page to Employment Agreement]*

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

**EXECUTIVE**

/s/ Robert McKee

**Robert (Mickey) McKee**

*[Signature Page to Employment Agreement]*

**RELEASE OF CLAIMS**

**PROJECT FRONTIER**  
**MANAGEMENT EQUITY TERM SHEET**

## EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into as of December 21, 2018, by and between Frontier TopCo Partnership, L.P., a Delaware limited partnership ("Parent"), and Ewan Hamilton (the "Executive").

### WITNESSETH:

WHEREAS, Executive is currently employed by Kodiak Gas Services, LLC (the "Company"); and

WHEREAS, in connection with the transactions contemplated by the Acquisition Agreement, the Company will become a direct or indirect subsidiary of the Parent; and

WHEREAS, Parent desires to continue employ Executive at the Company following the Closing and to enter into this Agreement embodying the terms of such continued employment, and Executive desires to enter into this Agreement and to accept such continued employment, subject to the terms and provisions of this Agreement; and

WHEREAS, effective as of the Closing, without further action by the parties hereto, Parent shall assign and shall cause the Company to assume this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Parent and Executive hereby agree as follows:

**Section 1. Definitions. Capitalized terms not otherwise defined elsewhere in this Agreement shall have the meaning set forth in this Section 1.**

(a) "Accrued Obligations" shall mean (i) all accrued but unpaid Base Salary through the date of termination of Executive's employment, (ii) any unpaid or unreimbursed expenses incurred in accordance with Section 6 hereof, and (iii) any benefits provided under the Company's employee benefit plans upon a termination of employment, including rights with respect to equity participation under the Equity Documents, in accordance with the terms contained therein.

(b) "Acquisition Agreement" shall mean that certain the Membership Interest Purchase Agreement, dated as of the date hereof, by and among KGS Investments, a Texas corporation, SG-KGS, LLC, an Arkansas limited liability company, SG-Compression, LLC, an Arkansas limited liability company, Robert M. Mckee, a natural person, Jim Nokes, a natural person, John Ogren, a natural person, Rob Mckee, a natural person, David Marrs, a natural person, John Bott, a natural person, Jerry Bob McCollom, a natural person, W. J. Johnson Family Partnership, LLLP, a Georgia limited liability partnership, and Nokes Business Partnership, LTD., a Texas limited partnership and Frontier Acquisition I, Inc., a Delaware corporation.

(c) "Board" shall mean the Board of Directors of Parent.

(d) "Business" shall mean any business activities related to (i) compression services with Company-owned or leased equipment, (ii) providing compression and maintenance services for customer-owned or leased equipment, (iii) providing treatment services, single-service operations and/or ancillary services related thereto, in each case, to Persons engaged in the exploration, production, gathering, processing, transportation or distribution of oil and gas and (iv) any other business (x) ancillary to the activities described in the foregoing clauses (i) through (iii), or any other business activity that is materially competitive with the then current or demonstrably planned business activities of the Company Group.

(e) "Business Relation" shall mean any current or prospective client, customer, licensee, supplier, or other business relation of the Company Group, or any such relation that was a client, customer, licensee or other business relation within the prior six (6) month period, in each case, with whom Executive transacted business or whose identity became known to Executive in connection with his employment hereunder.

(f) "Cause" shall mean (i) willful neglect in the performance of the Executive's duties for the Company or willful or repeated failure or refusal to perform such duties; (ii) engagement in conduct in connection with the Executive's employment or services with the Company, which results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or any other member of the Company Group; (iii) conviction of, or plea of guilty or no contest to, (A) any felony or (B) any other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Employer or any other member of the Company Group; (iv) material violation of the written policies of the Company, including but not limited to those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company; (v) fraud or misappropriation, embezzlement, or misuse of funds or property belonging to the Employer or any other member of the Company Group; (vi) act of personal dishonesty that involves personal profit in connection with the Executive's employment hereunder; or (vii) breach of Section 9 hereof or any Other Covenants. Executive's resignation following an event that would be grounds for a termination for Cause will be treated as a termination for Cause for all purposes hereunder.

(g) "Closing" has the meaning set forth in the Acquisition Agreement.

(h) "Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

(i) "Company Group" shall mean the Parent together with any of its direct or indirect subsidiaries, including the Company.

(j) "Compensation Committee" shall mean the committee of the Board designated to make compensation decisions relating to senior executive officers of the Company Group. Prior to any time that such a committee has been designated, the Board shall be deemed the Compensation Committee for purposes of this Agreement.



(k) “Confidential Information” means information that the Company Group has or will develop, acquire, create, compile, discover, or own, that has value in or to the business of the Company Group that is not generally known and that the Company wishes to maintain as confidential. Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products, research, or development of the Company Group, or to the Company Group’s technical data, trade secrets, or know-how, including, but not limited to, research, plans, or other information regarding the Company Group’s products or services and markets, customer lists, and customers (including, but not limited to, customers of the Company on whom Executive called or with whom Executive may become acquainted during the Term of Employment), software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company either directly or indirectly in writing, orally, or by drawings or inspection of premises, parts, equipment, or other Company Group property. Notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly and widely known through no unauthorized disclosure by Executive or others who were under confidentiality obligations as to the item or items involved.

(l) “Disability” shall mean any physical or mental disability or infirmity of Executive that prevents the performance of Executive’s duties for a period of (i) ninety (90) consecutive days or (ii) one hundred twenty (120) non-consecutive days during any twelve (12) month period. Any question as to the existence, extent, or potentiality of Executive’s Disability upon which Executive and the Company cannot agree shall be determined by a qualified, independent physician mutually selected by the Company and Executive or Executive’s representative (which approval shall not be unreasonably withheld, delayed or conditioned). The determination of any such physician shall be final and conclusive for all purposes of this Agreement.

(m) “Good Reason” shall mean, without Executive’s consent, (i) a material demotion in Executive’s title, duties, or responsibilities as set forth in Section 3 hereof; *provided, however*, that in connection with any sale, merger or similar transaction involving all or substantially all of the business or assets of the Company, neither the acquiring entity’s change in Executive’s title or reporting relationship(s) in connection with such transaction nor Executive’s duties and responsibilities being performed at a division or subsidiary of the acquiring entity shall, itself, constitute Good Reason, (ii) a 5% or more reduction in Base Salary set forth in Section 4(a) hereof or target Bonus opportunity set forth in Section 4(b) hereof (other than pursuant to an across-the-board reduction applicable to all similarly situated executives), (iii) the relocation of Executive’s principal place of employment (as provided in Section 3(c) hereof) more than thirty (30) miles from its current location, (iv) a material diminution in the aggregate benefits offered under the Company’s benefit programs, including but not limited to employer health, vision, or dental employee paid premiums, vehicle allowance program or 401(k) plan, other than as a result of, or response to, changes in applicable law or customary changes across businesses in the United States, or (v) any other material breach of a provision of this Agreement by the Company (other than a provision that is covered by clause (i), (ii), or (iii) above). Executive acknowledges and agrees that his exclusive remedy in the event of any breach of this Agreement shall be to assert Good Reason pursuant to the terms and conditions of Section 7(f) hereof. Notwithstanding the foregoing, during the Term of Employment, in the event that the Board reasonably believes that Executive may have engaged in conduct that could constitute Cause hereunder, the Board may, in its sole and absolute discretion, suspend Executive from performing his duties hereunder, and in no event shall any such suspension constitute an event pursuant to which Executive may terminate employment with Good Reason or otherwise constitute a breach hereunder; *provided*, that no such suspension shall alter the Company’s obligations under this Agreement during such period of suspension.

(n) “Interfering Activities” shall mean (A) recruiting, encouraging, soliciting, or inducing, or in any manner attempting to recruit, encourage, solicit, or induce, any Person employed by, or providing consulting services to, any member of the Company Group to terminate such Person’s employment or services (or in the case of a consultant, materially reducing such services) with the Company Group, (B) hiring any individual who was employed by the Company Group within the six (6) month period prior to the date of such hiring, (C) soliciting or accepting business, in each case, in a manner that is competitive with the Business, from any Business Relation, or (D) encouraging, soliciting, or inducing, or in any manner attempting to encourage, solicit, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company Group, or in any way interfering with the relationship between any such Business Relation and the Company Group.

(o) “Person” shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(p) “Post-Termination Restricted Period” shall mean the period commencing on the date of the termination of the Employment Period for any reason and ending on the one (1) year anniversary of such date of termination.

(q) “Release of Claims” shall mean the Release of Claims in substantially the same form attached hereto as Exhibit A (as the same may be revised from time to time by the Company upon the advice of counsel).

(r) “Severance Term” shall mean the twelve (12) month period following Executive’s termination by the Company without Cause (other than by reason of death or Disability) or by Executive with Good Reason.

## **Section 2. Acceptance and Term of Employment.**

The Company agrees to continue to employ Executive, and Executive agrees to continue to serve the Company, on the terms and conditions set forth herein. Executive’s employment hereunder shall commence on the Closing and continue until terminated as provided in Section 7 hereof (“Term of Employment”).

## **Section 3. Position, Duties, and Responsibilities; Place of Performance.**

(a) Position, Duties, and Responsibilities. During the Term of Employment, Executive shall be employed and serve as the CFO of the Company (together with such other position or positions consistent with Executive’s title as the Board or Company’s Chief Executive Officer shall specify from time to time) and shall have such duties and responsibilities commensurate with such title. Executive also agrees to serve as an officer and/or director of any other member of the Company Group, in each case without additional compensation.

(b) Performance. Executive shall devote his full business time, attention, skill, and best efforts to the performance of his duties under this Agreement and shall not engage in any other business or occupation during the Term of Employment, including, without limitation, any activity that (x) conflicts with the interests of the Company or any other member of the Company Group, (y) interferes with the proper and efficient performance of Executive's duties for the Company, or (z) interferes with Executive's exercise of judgment in the Company's best interests. Notwithstanding the foregoing, nothing herein shall preclude Executive from (i) serving, with the prior written consent of the Board, as a member of the board of directors or advisory board (or the equivalent in the case of a non-corporate entity) of a non-competing for-profit business and one or more charitable organizations, (ii) engaging in charitable activities and community affairs, and (iii) managing Executive's personal investments and affairs; *provided, however*, that the activities set out in clauses (i), (ii), and (iii) shall be limited by Executive so as not to materially interfere, individually or in the aggregate, with the performance of his duties and responsibilities hereunder.

(c) Principal Place of Employment. Executive's principal place of employment shall be in Montgomery, Texas, although Executive understands and agrees that he may be required to travel from time to time for business reasons.

#### **Section 4. Compensation.**

During the Term of Employment, Executive shall be entitled to the following compensation:

(a) Base Salary. Executive shall be paid an annualized base salary (the "Base Salary"), payable in accordance with the regular payroll practices of the Company, of not less than \$217,300 to be reviewed at least annually for adjustments, if any, commensurate with the broader workforce and with any such adjustments to be approved in writing by the Compensation Committee.

(b) Annual and/or Quarterly Bonus. Executive shall be eligible for an annual and/or a quarterly incentive bonus award determined by the Compensation Committee in respect of each fiscal year or quarter, as applicable, during the Term of Employment (the "Annual Bonus" or the "Quarterly Bonus," as applicable, and either, a "Bonus"), with the actual Bonus payable being based upon the level of achievement of Company and individual performance objectives for such fiscal year or quarter, as applicable, as determined by the Compensation Committee and communicated to Executive. The Bonus shall otherwise be subject to the terms and conditions of the Company's bonus plan adopted by the Board or the Compensation Committee, if any, under which bonuses are generally payable to senior executives of the Company, as in effect from time to time. The Bonus shall be paid to Executive at the same time as annual or quarterly bonuses, as applicable, are generally payable to other senior executives of the Company subject to Executive's continuous employment through the applicable payment date (subject to Section 7 below). The Bonus for the fiscal year or quarter, as applicable, in which the Closing occurs will not be prorated to reflect a partial year or quarter, as applicable, of employment hereunder.

(c) Equity Participation. In connection with the commencement of Executive's employment hereunder, Executive shall be entitled to participate in and receive a grant under, the Parent 2018 Class B Unit Incentive Plan (which will be adopted in connection with the Closing), pursuant to the terms of such plan, an award agreement and such other documents Executive is required to execute pursuant to the terms of such plan (the "Equity Documents"). Executive's equity participation shall be exclusively governed by the terms of the Equity Documents, the material terms of which are set forth on the "Project Frontier Management Equity Term Sheet" attached hereto as Exhibit B.

#### **Section 5. Employee Benefits.**

During the Term of Employment, Executive shall be entitled to participate in health, insurance, retirement, and other benefits provided generally to similarly situated employees of the Company. Executive shall also be entitled to the same number of holidays, vacation days, and sick days, as well as any other benefits, in each case as are generally allowed to similarly situated employees of the Company in accordance with the Company policy as in effect from time to time. Nothing contained herein shall be construed to limit the Company's ability to amend, suspend, or terminate any employee benefit plan or policy at any time, and the right to do so is expressly reserved.

#### **Section 6. Reimbursement of Business Expenses.**

Executive is authorized to incur reasonable business expenses in carrying out his duties and responsibilities under this Agreement, and the Company shall promptly reimburse him for all such reasonable business expenses, subject to documentation in accordance with the Company's policy, as in effect from time to time.

#### **Section 7. Termination of Employment.**

(a) General. The Term of Employment, and Executive's employment hereunder, shall terminate upon the earliest to occur of (i) Executive's death, (ii) a termination by reason of a Disability, (iii) a termination by the Company with or without Cause, and (iv) a termination by Executive with or without Good Reason. Except as otherwise expressly required by law (e.g., COBRA) or as specifically provided herein, all of Executive's rights to Base Salary, Annual Bonus and/or Quarterly Bonus, employee benefits and other compensatory amounts hereunder (if any) shall cease upon the termination of Executive's employment hereunder.

(b) Deemed Resignation. Upon any termination of Executive's employment for any reason, except as may otherwise be requested by the Company in writing and agreed upon in writing by Executive, Executive shall be deemed to have resigned from any and all directorships, committee memberships, and any other positions Executive holds with the Company or any other member of the Company Group.

(c) Termination Due to Death or Disability. Executive's employment shall terminate automatically upon his death. The Company may terminate Executive's employment immediately upon the occurrence of a Disability, such termination to be effective upon Executive's receipt of written notice of such termination. Upon Executive's death or in the event that Executive's employment is terminated due to his Disability, Executive or his estate or his beneficiaries, as the case may be, shall be entitled to:

- (i) The Accrued Obligations; and

(ii) Any unpaid Bonus in respect of any completed fiscal year or quarter, as applicable, that has ended prior to the date of such termination, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2 1/2 months following the last day of the fiscal year in which such termination occurred; and

(iii) Subject to satisfaction of the applicable performance objectives applicable for the fiscal year and/or quarter, as applicable, in which such termination occurs, an amount equal to (A) the Annual Bonus and/or Quarterly Bonus otherwise payable to Executive for the fiscal year or quarter, as applicable, in which such termination occurred, assuming Executive had remained employed through the applicable payment date, multiplied by (B) a fraction, the numerator of which is the number of days elapsed from the commencement of such fiscal year or quarter, as applicable, through the date of such termination and the denominator of which is 365 (or 366, as applicable) or 91 (or 92, as applicable), as applicable, (the "Pro Rata Bonus Amount") which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2 1/2 months following the last day of the fiscal year in which such termination occurred.

Following Executive's death or a termination of Executive's employment by reason of a Disability, except as set forth in this Section 7(c), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(d) Termination by the Company for Cause.

(i) The Company may terminate Executive's employment at any time for Cause, effective upon delivery to Executive of written notice of such termination; *provided, however*, that with respect to any Cause termination relying on (i), (ii), (iv) or (vi) of the definition of Cause, to the extent that such act or acts or failure or failures to act are curable, Executive shall be given not less than thirty (30) days' written notice by the Board of the Company's intention to terminate him for Cause, such notice to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based, and such termination shall be effective at the expiration of such thirty (30) day notice period unless Executive has fully cured such act or acts or failure or failures to act that give rise to Cause during such period.

(ii) In the event that the Company terminates Executive's employment for Cause, he shall be entitled only to the Accrued Obligations. Following such termination of Executive's employment for Cause, except as set forth in this Section 7(d)(ii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(e) Termination by the Company without Cause. The Company may terminate Executive's employment at any time without Cause, effective upon delivery to Executive of written notice of such termination. In the event that Executive's employment is terminated by the Company without Cause (other than due to death or Disability), Executive shall be entitled to:

(i) The Accrued Obligations;

(ii) Any unpaid Bonus in respect of any completed fiscal year or quarter, as applicable, that has ended prior to the date of such termination, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2 1/2 months following the last day of the fiscal year in which such termination occurred;

(iii) The Pro Rata Bonus Amount, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 2 1/2 months following the last day of the fiscal year in which such termination occurred;

(iv) An amount equal to the Base Salary, such amount to be paid in substantially equal payments during the Severance Term, and payable in accordance with the Company's regular payroll practices; and

(v) Subject to Executive's election of COBRA continuation coverage under the Company's group health plan, payment, on the first regularly scheduled payroll date of each month during the Severance Term, of an amount equal to the difference between the monthly COBRA premium cost and the monthly contribution paid by active employees for the same coverage; *provided*, that the payments described in this clause (v) shall cease earlier than the expiration of the Severance Term in the event that Executive becomes eligible to receive any health benefits as a result of subsequent employment or service during the Severance Term.

Notwithstanding the foregoing, the payments and benefits described in clauses (ii), (iii), (iv) and (v) above shall immediately terminate, and the Company shall have no further obligations to Executive with respect thereto, in the event that Executive breaches any provision set forth in Section 9 hereof. Following such termination of Executive's employment by the Company without Cause, except as set forth in this Section 7(e), Executive shall have no further rights to any compensation or any other benefits under this Agreement. For the avoidance of doubt, Executive's sole and exclusive remedy upon a termination of employment by the Company without Cause shall be receipt of the Severance Benefits; *provided*, that the Company shall reimburse Executive for reasonable, documented attorneys' fees actually incurred in connection with the enforcement of this Agreement to the extent Executive is successful in such enforcement action, not to exceed \$20,000.

(f) Termination by Executive with Good Reason. Executive may terminate his employment with Good Reason by providing the Company thirty (30) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the occurrence of such event. During such thirty (30) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, Executive's termination will be effective upon the expiration of such cure period, and Executive shall be entitled to the same payments and benefits as provided in Section 7(e) hereof for a termination by the Company without Cause, subject to the same conditions on payment and benefits as described in Section 7(c) hereof. Following such termination of Executive's employment by Executive with Good Reason, except as set forth in this Section 7(f), Executive shall have no further rights to any compensation or any other benefits under this Agreement. For the avoidance of doubt, Executive's sole and exclusive remedy upon a termination of employment with Good Reason shall be receipt of the Severance Benefits.

(g) Termination by Executive without Good Reason. Executive may terminate his employment without Good Reason by providing the Company sixty (60) days' written notice of such termination. In the event of a termination of employment by Executive under this Section 7(g), Executive shall be entitled only to the Accrued Obligations. In the event of termination of Executive's employment under this Section 7(g), the Company may, in its sole and absolute discretion, by written notice accelerate such date of termination without changing the characterization of such termination as a termination by Executive without Good Reason. Following such termination of Executive's employment by Executive without Good Reason, except as set forth in this Section 7(g), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(h) Release. Notwithstanding any provision herein to the contrary, the payment of any amount or provision of any benefit pursuant to subsection (d) or (e) of this Section 7 (collectively, the "Severance Benefits"), other than the Accrued Obligations, shall be conditioned upon Executive's execution, delivery to the Company, and non-revocation of the Release of Claims (and the expiration of any revocation period contained in such Release of Claims) within sixty (60) days following the date of Executive's termination of employment hereunder (the "Release Execution Period"). If Executive fails to execute the Release of Claims in such a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period, or timely revokes his acceptance of such release following its execution, Executive shall not be entitled to any of the Severance Benefits. No portion of the Severance (other than Accrued Obligations) shall be paid until the Release has become effective and all amounts shall commence to be paid on the first regular payroll date of the Company after the Release has become effective; *provided*, that, if the Release Execution Period overlaps two calendar years, the first payment shall not be made sooner than the first day of the second year, and shall include any missed payments.

#### **Section 8. Certain Payments.**

In the event that (i) Executive is entitled to receive any payment, benefit or distribution of any type to or for the benefit of Executive, whether paid or payable, provided or to be provided, or distributed or distributable, pursuant to the terms of this Agreement or otherwise (collectively, the "Payments"), and (ii) the net after-tax amount of such Payments, after Executive has paid all taxes due thereon (including, without limitation, taxes due under Section 4999 of the Code) is less than the net after-tax amount of all such Payments otherwise due to Executive in the aggregate, if such Payments were reduced to an amount equal to 2.99 times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code), then the aggregate amount of such Payments payable to Executive shall be reduced to an amount that will equal 2.99 times Executive's base amount. To the extent such aggregate parachute payment amounts are required to be so reduced, the parachute payment amounts due to Executive (but no non-parachute payment amounts) shall be reduced in the following order: (i) the parachute payments that are payable in cash shall be reduced (if necessary, to zero) with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity, valued at full value (rather than accelerated value), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24); and (iii) all other non-cash benefits not otherwise described in clause (ii) of this Section 8 reduced last.

## Section 9. Restrictive Covenants

(a) General. Executive acknowledges and recognizes the highly competitive nature of the business of the Company Group, that access to Confidential Information renders Executive special and unique within the industry of the Company Group, and that Executive will have the opportunity to develop substantial relationships with existing and prospective clients, accounts, customers, consultants, contractors, investors, and strategic partners of the Company Group during the course of and as a result of Executive's employment with the Company. In light of the foregoing, as a condition of Executive's employment by the Company, and in consideration of Executive's employment hereunder and the compensation and benefits provided herein, Executive acknowledges and agrees to the covenants contained in this Section 9. Executive further recognizes and acknowledges that the restrictions and limitations set forth in this Section 9 are reasonable and valid in geographical and temporal scope and in all other respects and are essential to protect the value of the business and assets of the Company Group.

### (b) Confidential Information.

(i) Executive acknowledges that, during the Term of Employment, Executive will have access to information about the Company Group and that his employment with the Company shall bring him into close contact with confidential and proprietary information of the Company Group. In recognition of the foregoing, Executive agrees, at all times during the Term of Employment and thereafter, to hold in confidence, and not to use, except for the benefit of the Company Group, or to disclose to any Person without written authorization of the Company, any Confidential Information.

(ii) Nothing in this Agreement shall prohibit or impede Executive from communicating, cooperating or filing a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Executive understands and acknowledges that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (i) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive understands and acknowledges further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. Moreover, Executive is not required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of Company's General Counsel or other officer designated by the Company.

### (c) Assignment of Intellectual Property.



(i) Executive agrees that he will, without additional compensation, promptly make full written disclosure to the Company, and will hold in trust for the sole right and benefit of the Company all developments, original works of authorship, inventions, concepts, know-how, improvements, trade secrets, and similar proprietary rights, whether or not patentable or registrable under copyright or similar laws, which Executive may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the Term of Employment, whether or not during regular working hours, provided they either (i) relate at the time of conception or reduction to practice of the invention to the business of any member of the Company Group, or actual or demonstrably anticipated research or development of any member of the Company Group; (ii) result from or relate to any work performed for any member of the Company Group; or (iii) are developed through the use of equipment, supplies, or facilities of any member of the Company Group, or any Confidential Information, or in consultation with personnel of any member of the Company Group (collectively referred to as "Developments"). Executive further acknowledges that all Developments made by Executive (solely or jointly with others) within the scope of and during the Term of Employment are "works made for hire" (to the greatest extent permitted by applicable law) for which Executive is, in part, compensated by his Base Salary, unless regulated otherwise by law, but that, in the event any such Development is deemed not to be a work made for hire, Executive hereby assigns to the Company, or its designee, all Executive's right, title, and interest throughout the world in and to any such Development.

(ii) Executive agrees to assist the Company, or its designee, at the Company's expense, in every way to secure the rights of the Company Group in the Developments and any copyrights, patents, trademarks, service marks, database rights, domain names, mask work rights, moral rights, and other intellectual property rights relating thereto in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments that the Company shall deem necessary in order to apply for, obtain, maintain, and transfer such rights and in order to assign and convey to the Company Group the sole and exclusive right, title, and interest in and to such Developments, and any intellectual property and other proprietary rights relating thereto. Executive further agrees that his obligation to execute or cause to be executed, when it is in Executive's power to do so, any such instrument or papers shall continue after the termination of the Term of Employment until the expiration of the last such intellectual property right to expire in any country of the world; *provided, however*, that the Company shall reimburse Executive for his reasonable expenses incurred in connection with carrying out the foregoing obligation. If the Company is unable because of Executive's mental or physical incapacity or unavailability for any other reason to secure Executive's signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Developments or original works of authorship assigned to the Company as above, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact to act for and in Executive's behalf and stead to execute and file any such applications or records and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance, and transfer of letters patent or registrations thereon with the same legal force and effect as if originally executed by me. Executive hereby waives and irrevocably quitclaims to the Company any and all claims, of any nature whatsoever, that Executive now or hereafter have for past, present, or future infringement of any and all proprietary rights assigned to the Company.

(d) Non-Competition. During the Term of Employment and the Post-Termination Restricted Period, Executive shall not, directly or indirectly engage in, have any equity interest in, or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, member, security holder, consultant or otherwise) that engages in any business, directly or indirectly (through a subsidiary or otherwise), which competes with the Business within the United States of America or any other jurisdiction in which any member of the Company Group engages in business, derives a material portion of its revenues or has demonstrable plans to commence business activities; *provided*, that during the Post-Termination Restricted Period (i) "Business" shall refer only to business activities related to lines of business that the Company Group then-currently engages in or has plans to engage in as of Executive's termination of employment and (ii) solely in any areas of operation in which any member of the Company Group engages in business, derives a material portion of its revenues or has demonstrable plans to commence business activities in as of Executive's termination of employment.

Notwithstanding the foregoing, Executive may purchase or otherwise own up to (but not more than) 2.00% of any class of securities of any enterprise (but without otherwise participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Securities Exchange Act of 1934.

(e) Non-Interference. During the Term of Employment and the Post-Termination Restricted Period, Executive shall not, directly or indirectly for his own account or for the account of any other Person, engage in Interfering Activities.

(f) Non-Disparagement. During the Term of Employment and at all times thereafter, Executive agrees not to make any statement (directly or through Executive's representatives) that is intended to become public, or should reasonably be expected to become public, and that criticizes, ridicules, disparages or is otherwise derogatory of any member of the Company Group or their respective employees, officers, directors, or equity holders; provided, that the limitations set forth in this Section 9(f) shall not apply in respect of any statement that is required to be made by applicable law, is the type of communication described in Section 9(b)(ii), or is reasonably necessary in connection with the enforcement of rights under this Agreement or any other written agreement to which the Company or any other member of the Company Group, on the one hand, and Executive or any of Executive's affiliates, on the other hand, are parties.

(g) Return of Documents. In the event of Executive's termination of employment hereunder for any reason, Executive shall deliver to the Company (and will not keep in his possession, recreate, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information, and property developed by Executive pursuant to his employment hereunder or otherwise belonging to the Company Group.

(h) Independence; Severability; Blue Pencil. Each of the rights enumerated in this Section 9 shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company Group at law or in equity. If any of the provisions of this Section 9 or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable, the same shall not affect the remainder of this Section 9, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, each of the Company and Executive agree that the court making such determination shall have the power to reduce the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable.

(i) Injunctive Relief. Executive expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Section 9 may result in substantial, continuing, and irreparable injury to the members of the Company Group. Therefore, Executive hereby agrees that, in addition to any other remedy that may be available to the Company, any member of the Company Group shall be entitled to seek injunctive relief, specific performance, or other equitable relief by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 9. Notwithstanding any other provision to the contrary, Executive acknowledges and agrees that the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in this Section 9 and during any other period required for litigation during which the Company or any other member of the Company Group seeks to enforce such covenants against Executive if it is ultimately determined that Executive was in breach of such covenants.

(j) Other Covenants. Notwithstanding anything contained in this Agreement to the contrary, in the event that Executive is subject to similar restrictive covenants pursuant to any other agreement with any member of the Company Group, including, without limitation, under the Equity Documents ("Other Covenants"), the covenants contained in this Agreement shall be in addition to, and not in lieu of, any such Other Covenants, and enforcement by the Company of the covenants contained in this Agreement shall not preclude the applicable member of the Company Group from enforcing such Other Covenants in accordance with their terms.

**Section 10. Representations and Warranties of Executive. Executive represents and warrants to the Company that:**

(a) Executive is entering into this Agreement voluntarily and that his employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by him of any agreement to which he is a party or by which he may be bound;

(b) Executive has not violated, and in connection with his employment with the Company will not violate, any non-solicitation, non-competition, or other similar covenant or agreement with any Person by which he is or may be bound;

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(c) In connection with his employment with the Company, Executive will not use any confidential or proprietary information he may have obtained in connection with employment or service with any prior service recipient; and

(d) Executive has not been terminated from any prior employer or service recipient, or otherwise disciplined in connection any such relationship, in connection with, or as a result of, any claim of workplace sexual harassment or sex or gender discrimination, and to Executive's knowledge, Executive has not been the subject of any investigation, formal allegation, civil or criminal complaint, charge, or settlement regarding workplace sexual harassment or sex or gender discrimination.

**Section 11. Taxes.**

The Company may withhold from any payments made under this Agreement all applicable taxes, including but not limited to income, employment, and social insurance taxes, as shall be required by law. Executive acknowledges and represents that the Company has not provided any tax advice to him in connection with this Agreement and that he has been advised by the Company to seek tax advice from his own tax advisors regarding this Agreement and payments that may be made to him pursuant to this Agreement, including specifically, the application of the provisions of Section 409A of the Code to such payments.

**Section 12. Set Off; Mitigation.**

The Company's obligation to pay Executive the amounts provided and to make the arrangements provided hereunder shall be subject to set-off, counterclaim, or recoupment of amounts owed by Executive to the Company or its affiliates; *provided, however*, that to the extent any amount so subject to set-off, counterclaim, or recoupment is payable in installments hereunder, such set-off, counterclaim, or recoupment shall not modify the applicable payment date of any installment, and to the extent an obligation cannot be satisfied by reduction of a single installment payment, any portion not satisfied shall remain an outstanding obligation of Executive and shall be applied to the next installment only at such time the installment is otherwise payable pursuant to the specified payment schedule. Executive shall not be required to mitigate the amount of any payment provided pursuant to this Agreement by seeking other employment or otherwise, and except as provided in Section 7(e)(v) hereof, the amount of any payment provided for pursuant to this Agreement shall not be reduced by any compensation earned as a result of Executive's other employment or otherwise.

**Section 13. Additional Section 409A Provisions. Notwithstanding any provision in this Agreement to the contrary:**

(a) Any payment otherwise required to be made hereunder to Executive at any date as a result of the termination of Executive's employment shall be delayed for such period of time as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code (the "Delay Period"). On the first business day following the expiration of the Delay Period, Executive shall be paid, in a single cash lump sum, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence, and any remaining payments not so delayed shall continue to be paid pursuant to the payment schedule set forth herein.

(b) Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A of the Code.

(c) Notwithstanding anything herein to the contrary, the payment (or commencement of a series of payments) hereunder of any nonqualified deferred compensation (within the meaning of Section 409A of the Code) upon a termination of employment shall be delayed until such time as Executive has also undergone a "separation from service" as defined in Treas. Reg. 1.409A-1(h), at which time such nonqualified deferred compensation (calculated as of the date of Executive's termination of employment hereunder) shall be paid (or commence to be paid) to Executive on the schedule set forth in this Section 7 as if Executive had undergone such termination of employment (under the same circumstances) on the date of his ultimate "separation from service."

(d) To the extent that any right to reimbursement of expenses or payment of any benefit-in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Code), (i) any such expense reimbursement shall be made by the Company no later than the last day of the taxable year following the taxable year in which such expense was incurred by Executive, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided, however*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect.

(e) While the payments and benefits provided hereunder are intended to be structured in a manner to avoid the implication of any penalty taxes under Section 409A of the Code, in no event whatsoever shall any member of the Company Group be liable for any additional tax, interest, or penalties that may be imposed on Executive as a result of Section 409A of the Code or any damages for failing to comply with Section 409A of the Code (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A of the Code).

**Section 14. Successors and Assigns; No Third-Party Beneficiaries.**

(a) The Company. This Agreement shall inure to the benefit of the Company and its respective successors and assigns. Neither this Agreement nor any of the rights, obligations, or interests arising hereunder may be assigned by the Company to a Person (other than another member of the Company Group, or its or their respective successors) without Executive's prior written consent (which shall not be unreasonably withheld, delayed, or conditioned); *provided, however*, that in the event of a sale of all or substantially all of the assets of the Company or any direct or indirect division or subsidiary thereof to which Executive's employment primarily relates, the Company may provide that this Agreement will be assigned to, and assumed by, the acquiror of such assets, division or subsidiary, as applicable, without Executive's consent.

(b) Executive. Executive's rights and obligations under this Agreement shall not be transferable by Executive by assignment or otherwise, without the prior written consent of the Company; *provided, however*, that if Executive shall die, all amounts then payable to Executive hereunder shall be paid in accordance with the terms of this Agreement to Executive's devisee, legatee, or other designee, or if there be no such designee, to Executive's estate.

(c) No Third-Party Beneficiaries. Except as otherwise set forth in Section 7(c) or Section 14(b) hereof, nothing expressed or referred to in this Agreement will be construed to give any Person other than the Company, the other members of the Company Group, and Executive any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

**Section 15. Waiver and Amendments.**

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by each of the parties hereto; *provided, however*, that any such waiver, alteration, amendment, or modification must be consented to on the Company's behalf by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

**Section 16. Severability.**

If any covenants or such other provisions of this Agreement are found to be invalid or unenforceable by a final determination of a court of competent jurisdiction, (a) the remaining terms and provisions hereof shall be unimpaired, and (b) the invalid or unenforceable term or provision hereof shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision hereof.

**Section 17. Governing Law; Waiver of Jury Trial.**

THIS AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS. EACH PARTY TO THIS AGREEMENT ALSO HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING UNDER OR IN CONNECTION WITH THIS AGREEMENT.

**Section 18. Notices.**

(a) Place of Delivery. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom or which it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided; *provided, however*, that unless and until some other address be so designated, all notices and communications by Executive to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices and communications by the Company to Executive may be given to Executive personally or may be mailed to Executive at Executive's last known address, as reflected in the Company's records.

(b) Date of Delivery. Any notice so addressed shall be deemed to be given (i) if delivered by hand, on the date of such delivery, (ii) if mailed by courier or by overnight mail, on the first business day following the date of such mailing, and (iii) if mailed by registered or certified mail, on the third business day after the date of such mailing.

**Section 19. Section Headings.**

The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof or affect the meaning or interpretation of this Agreement or of any term or provision hereof.

**Section 20. Entire Agreement.**

This Agreement, together with any exhibits attached hereto, constitutes the entire understanding and agreement of the parties hereto regarding the employment of Executive. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings, and agreements between the parties relating to the subject matter of this Agreement.

**Section 21. Survival of Operative Sections.**

Upon any termination of Executive's employment, the provisions of Section 7 through Section 22 of this Agreement (together with any related definitions set forth on Appendix A) shall survive to the extent necessary to give effect to the provisions thereof.

**Section 22. Counterparts.**

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

**Section 23. Conditional Upon Closing of Transactions.**

This Agreement shall be conditioned upon the closing of the transactions contemplated by the Acquisition Agreement. In the event that the Acquisition Agreement terminates prior to the closing of the transactions contemplated thereby, this Agreement shall be void *ab initio*.

\* \* \*

[Signatures to appear on the following page.]

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

FRONTIER TOPCO PARTNERSHIP, L.P.

By: Frontier TopCo GP, LLC, its general partner

/s/ Nathalie Brabers

Name: Nathalie Brabers

Title: President

/s/ Willem van Rooyen

Name: Willem van Rooyen

Title: Secretary

*[Signature Page to Employment Agreement]*



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**IN WITNESS WHEREOF**, the undersigned have executed this Agreement as of the date first above written.

**EXECUTIVE**

/s/ Ewan Hamilton  
Ewan Hamilton

*[Signature Page to Employment Agreement]*

**RELEASE OF CLAIMS**

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**PROJECT FRONTIER  
MANAGEMENT EQUITY TERM SHEET**

**EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into as of September 19, 2019, by and between Frontier TopCo Partnership, L.P., a Delaware limited partnership ("Parent"), and Chad Lenamon (the "Executive").

**WITNESSETH:**

WHEREAS, Executive is currently employed by Pegasus Optimization Employer, LLC (the "Company"); and

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, the Company will become a direct or indirect subsidiary of the Parent; and

WHEREAS, Parent desires to continue to employ Executive at the Company following the Closing and to enter into this Agreement embodying the terms of such continued employment, and Executive desires to enter into this Agreement and to accept such continued employment, subject to the terms and provisions of this Agreement; and

WHEREAS, effective as of the Closing, without further action by the parties hereto, Parent shall assign and shall cause the Company to assume this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Parent and Executive hereby agree as follows:

**Section 1. Definitions. Capitalized terms not otherwise defined elsewhere in this Agreement shall have the meaning set forth in this Section 1.**

(a) "Accrued Obligations" shall mean (i) all accrued but unpaid Base Salary through the date of termination of Executive's employment, (ii) any unpaid or unreimbursed expenses incurred in accordance with Section 6 hereof, and (iii) any benefits provided under the Company's employee benefit plans upon a termination of employment, including rights with respect to equity participation under the Equity Documents, in accordance with the terms contained therein.

(b) "Purchase Agreement" shall mean that certain Purchase and Sale Agreement, dated as of the date hereof, by and among Pegasus Optimization Partners, LLC, a Delaware limited liability company, Pegasus Optimization Member, LLC, a Delaware limited liability company, and Frontier Acquisition I, Inc., a Delaware corporation.

(c) "Board" shall mean the Board of Directors of Parent.

(d) "Business" means the business, as conducted by the Company Group, of providing to third Persons engaged in the exploration, production, gathering, processing, transportation or distribution of oil and gas, for a fee (i) natural gas contract compression services with Company-owned or leased natural gas compression equipment, (ii) operational services and maintenance of natural gas compressor equipment, (iii) construction project management services

for natural gas compressor stations, (iv) enhanced oil recovery services, and (v) any other services in which the Company has demonstrable plans to engage in as of the Closing Date. For the avoidance of doubt, the term "Business" shall not include any business that is primarily engaged in (1) an upstream oil and gas business (i.e., the exploration and production of oil and gas) or (2) a midstream oil and gas business (i.e., gathering, processing, treating, transportation or distribution of oil and gas), in each case, so long as less than 5% of the revenues of such business are derived from the provision of services or equipment related to contract compression to any third Persons.

(e) "Business Relation" shall mean any current client, customer, licensee or supplier of the Company Group, or any such relation that was a client, customer, licensee or supplier within the prior six (6) month period, in each case, with whom Executive transacted business or whose identity became known to Executive in connection with his employment hereunder.

(f) "Cause" shall mean (i) willful neglect in the performance of the Executive's duties for the Company or willful or repeated failure or refusal to perform such duties; (ii) engagement in conduct in connection with the Executive's employment or services with the Company (other than the good faith performance of Executive's duties), which results in material harm to the business or reputation of the Company or any other member of the Company Group; (iii) conviction of, or plea of guilty or no contest to, any felony or other crime that results, or could reasonably be expected to result in, material harm to the business or reputation of the Company or any other member of the Company Group; (iv) material violation of the written policies of the Company, including, but not limited to, those relating to sexual harassment or the disclosure or misuse of confidential information, as set forth in the manuals or statements of policy of the Company; (v) fraud or misappropriation, embezzlement, or misuse of funds or property belonging to the Company or any other member of the Company Group; or (vi) breach of Section 9 hereof or any Other Covenants. Executive's resignation within six (6) months following an event that would be grounds for a termination for Cause will be treated as a termination for Cause for all purposes hereunder.

(g) "Closing" has the meaning set forth in the Purchase Agreement.

(h) "Closing Date" has the meaning set forth in the Purchase Agreement.

(i) "Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

(i) "Company Group" shall mean Parent together with any of its direct or indirect subsidiaries, including the Company.

(j) "Compensation Committee" shall mean the committee of the Board designated to make compensation decisions relating to senior executive officers of the Company Group. Prior to any time that such a committee has been designated, the Board shall be deemed the Compensation Committee for purposes of this Agreement.

(k) "Confidential Information" means information that the Company Group has or will develop, acquire, create, compile, discover, or own, that has value in or to the business of the Company Group that is not generally known and that the Company wishes to maintain as confidential. Confidential Information includes, but is not limited to, any and all non-public information that relates to the actual or anticipated business and/or products, research, or development of the Company Group, or to the Company Group's technical data, trade secrets, or know-how, including, but not limited to, research, plans, or other information regarding the Company Group's products or services and markets, customer lists, and customers (including, but not limited to, customers of the Company on whom Executive called or with whom Executive may become acquainted during the Term of Employment), software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, and other business information disclosed by the Company either directly or indirectly in writing, orally, or by drawings or inspection of premises, parts, equipment, or other Company Group property. Notwithstanding the foregoing, Confidential Information shall not include any of the foregoing items that have become publicly known through no unauthorized disclosure by Executive or others who were under confidentiality obligations as to the item or items involved.

(l) "Disability" shall mean any physical or mental disability or infirmity of Executive that prevents the performance of Executive's duties, with or without reasonable accommodation, for a period of (i) ninety (90) consecutive days or (ii) one hundred twenty (120) non-consecutive days during any twelve (12) month period. Any question as to the existence, extent, or potentiality of Executive's Disability upon which Executive and the Company cannot agree shall be determined by a qualified, independent physician mutually selected by the Company and Executive or Executive's representative (which approval shall not be unreasonably withheld, delayed or conditioned). The determination of any such physician shall be final and conclusive for all purposes of this Agreement.

(m) "Good Reason" shall mean, without Executive's written consent, (i) a material demotion in Executive's title, duties, or responsibilities as set forth in Section 3 hereof; *provided, however*, that in connection with any sale, merger or similar transaction involving all or substantially all of the business or assets of the Company, neither the acquiring entity's change in Executive's title or reporting relationship(s) in connection with such transaction nor Executive's duties and responsibilities being performed at a division or subsidiary of the acquiring entity shall, itself, constitute Good Reason, (ii) a 5% or more reduction in Base Salary set forth in Section 4(a) hereof or Target Bonus opportunity set forth in Section 4(b) hereof (other than pursuant to an across-the-board reduction applicable to all similarly situated executives), (iii) the relocation of Executive's principal place of employment (as provided in Section 3(c) hereof) more than thirty (30) miles from the locations provided in Section 3(c) hereof, (iv) a material diminution in the aggregate benefits offered under the Company's benefit programs, including but not limited to employer health, vision, or dental employee paid premiums, vehicle allowance program or 401(k) plan, other than as a result of, or response to, changes in applicable law or customary changes across businesses in the United States, or (v) any other material breach of a provision of this Agreement by the Company (other than a provision that is covered by clause (i), (ii), or (iii) above). Executive acknowledges and agrees that his exclusive remedy in the event of any breach of this Agreement shall be to assert Good Reason pursuant to the terms and conditions of Section 7(f) hereof. Notwithstanding the foregoing, during the Term of Employment, in the event that the Board reasonably believes that Executive may have engaged in conduct that could constitute Cause hereunder, the Board may, in its sole and absolute discretion, suspend Executive from performing his duties hereunder, and in no event shall any such suspension constitute an event pursuant to which Executive may terminate employment with Good Reason or otherwise constitute a breach hereunder; *provided*, that no such suspension shall alter the Company's obligations under this Agreement during such period of suspension.

(n) "Interfering Activities" shall mean (i) recruiting, encouraging, soliciting, or inducing, or in any manner attempting to recruit, encourage, solicit, or induce, any Person employed by, or providing consulting services to, any member of the Company Group to terminate such Person's employment or services (or in the case of a consultant, materially reducing such services) with the Company Group, (ii) hiring any individual who was employed by the Company Group within the six (6) month period prior to the date of such hiring unless the employment or service of such Person was terminated by a member of the Company Group in a reduction in force or otherwise without cause, (iii) soliciting or accepting business, in each case, in a manner that is competitive with the Business, from any current customer or client of the Business, or (iv) encouraging, soliciting, or inducing, or in any manner attempting to encourage, solicit, or induce, any Business Relation to cease doing business with or reduce the amount of business conducted with the Company Group, or in any way interfering with the relationship between any such Business Relation and the Company Group.

(o) "Person" shall mean any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust (charitable or non-charitable), unincorporated organization, or other form of business entity.

(p) "Post-Termination Restricted Period" shall mean the period commencing on the date of the termination of the Term of Employment for any reason (other than a resignation without Good Reason) and ending on the date that is eighteen (18) months following such date of termination. Upon a termination without Good Reason, the Post-Termination Restricted Period shall be six (6) months following such date of termination; *provided, however*, that, within thirty (30) days following such termination without Good Reason, the Company may elect to extend such period by a period of up to an additional twelve (12) months, in which case, for each month of such extended period, the Company shall pay Executive a monthly amount equal to Base Salary divided by twelve (12).

(q) "Release of Claims" shall mean the Release of Claims in substantially the same form attached hereto as Exhibit A (as the same may be revised from time to time by the Company upon the advice of counsel).

(r) "Severance Term" shall mean (i) the twenty-four (24) month period following Executive's termination by the Company without Cause (other than by reason of death or Disability) or by Executive with Good Reason if such termination occurs prior to the second (2nd) anniversary of the Closing Date or (ii) the eighteen (18) month period following Executive's termination by the Company without Cause (other than by reason of death or Disability) or by Executive with Good Reason if such termination occurs on or after the second (2nd) anniversary of the Closing Date.

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## Section 2. Acceptance and Term of Employment.

The Company agrees to continue to employ Executive, and Executive agrees to continue to serve the Company, on the terms and conditions set forth herein. Executive's employment hereunder shall commence on the Closing and continue until terminated as provided in Section 7 hereof ("Term of Employment").

## Section 3. Position, Duties, and Responsibilities; Place of Performance.

(a) Position, Duties, and Responsibilities. During the Term of Employment, Executive shall be employed and serve as the Executive Vice President of Project Development of the Company (together with such other position or positions consistent with Executive's title as the Board shall specify from time to time) and shall have such duties and responsibilities commensurate with such title. Executive also agrees to serve as an officer and/or director of any other member of the Company Group, in each case without additional compensation.

(b) Performance. Executive shall devote his full business time, attention, skill, and best efforts to the performance of his duties under this Agreement and shall not engage in any other business or occupation during the Term of Employment, including, without limitation, any activity that (x) conflicts with the interests of the Company or any other member of the Company Group, (y) interferes with the proper and efficient performance of Executive's duties for the Company, or (z) interferes with Executive's exercise of judgment in the Company's best interests. Notwithstanding the foregoing, nothing herein shall preclude Executive from (i) serving, with the prior written consent of the Board, as a member of the board of directors or advisory board (or the equivalent in the case of a non-corporate entity) of a non-competing for-profit business or, without the prior consent of the Board but with advanced written notice to Executive's direct supervisor, one or more charitable organizations, (ii) engaging in charitable activities and community affairs, and (iii) managing Executive's personal investments and affairs; *provided, however*, that the activities set out in clauses (i), (ii), and (iii) shall be limited by Executive so as not to materially interfere, individually or in the aggregate, with the performance of his duties and responsibilities hereunder.

(c) Principal Place of Employment. Executive's principal place of employment shall be in College Station, Texas or Montgomery, Texas, although Executive understands and agrees that he may be required to travel from time to time for business reasons.

## Section 4. Compensation.

During the Term of Employment, Executive shall be entitled to the following compensation:

(a) Base Salary. Executive shall be paid an annualized base salary (the "Base Salary"), payable in accordance with the regular payroll practices of the Company, of not less than \$240,000.00, to be reviewed at least annually for adjustments, if any, commensurate with the broader workforce and with any such adjustments to be approved in writing by the Compensation Committee.



(b) Annual and/or Quarterly Bonus. Executive shall be eligible for an annual and/or a quarterly incentive bonus award determined by the Compensation Committee in respect of each fiscal year or quarter, as applicable, during the Term of Employment (the "Annual Bonus" or the "Quarterly Bonus," as applicable, and either, a "Bonus"). The target Bonus for each fiscal year during the Term of Employment shall not be less than \$125,000.00 (the "Target Annual Bonus") and the target Quarterly Bonus for each fiscal quarter during the Term of Employment shall not be less than \$31,250.00 (the "Target Quarterly Bonus," and, together with the Target Annual Bonus, the "Target Bonus"), which, at the Board's election, may be payable annually or quarterly, with the actual Bonus payable being based upon the level of achievement of Company and individual performance objectives for such fiscal year or quarter, as applicable, as determined by the Compensation Committee and communicated to Executive. The Bonus shall otherwise be subject to the terms and conditions of the Company's bonus plan adopted by the Board or the Compensation Committee, if any, under which bonuses are generally payable to senior executives of the Company, as in effect from time to time. The Bonus shall be paid to Executive at the same time as annual or quarterly bonuses, as applicable, are generally payable to other senior executives of the Company, subject to Executive's continuous employment through the applicable payment date (subject to Section 7 below).

(c) Equity Participation. In connection with the commencement of Executive's employment hereunder, Executive shall be entitled to participate in and receive a grant of at least 611 Class B Units (defined in the Equity Documents) under the Frontier TopCo Partnership, L.P. 2019 Class B Unit Incentive Plan pursuant to the terms of such plan, and such other documents Executive is required to execute pursuant to the terms of such plan, including a Class B Unit Award Agreement, substantially in the form attached hereto as Exhibit B (collectively, the "Equity Documents"). Executive's equity participation shall be exclusively governed by the terms of the Equity Documents. Parent and Executive shall execute and deliver the Equity Documents in connection with the closing of the transactions contemplated by the Purchase Agreement.

#### **Section 5. Employee Benefits.**

During the Term of Employment, Executive shall be entitled to participate in health, insurance, retirement, and other benefits provided generally to similarly situated employees of the Company. Executive shall also be entitled to the same number of holidays, vacation days, and sick days, as well as any other benefits, in each case as are generally allowed to similarly situated employees of the Company in accordance with the Company policy as in effect from time to time. Nothing contained herein shall be construed to limit the Company's ability to amend, suspend, or terminate any employee benefit plan or policy at any time, and the right to do so is expressly reserved.

#### **Section 6. Reimbursement of Business Expenses.**

Executive is authorized to incur reasonable business expenses in carrying out his duties and responsibilities under this Agreement, and the Company shall promptly reimburse him for all such reasonable business expenses, subject to documentation in accordance with the Company's policy, as in effect from time to time.

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## Section 7. Termination of Employment.

(a) General. The Term of Employment, and Executive's employment hereunder, shall terminate upon the earliest to occur of (i) Executive's death, (ii) a termination by reason of a Disability, (iii) a termination by the Company with or without Cause, and (iv) a termination by Executive with or without Good Reason. Except as otherwise expressly required by law (e.g., COBRA) or as specifically provided herein, all of Executive's rights to Base Salary, Annual Bonus and/or Quarterly Bonus, employee benefits and other compensatory amounts hereunder (if any) shall cease upon the termination of Executive's employment hereunder.

(b) Deemed Resignation. Upon any termination of Executive's employment for any reason, except as may otherwise be requested by the Company in writing and agreed upon in writing by Executive, Executive shall be deemed to have resigned from any and all directorships, committee memberships, and any other positions Executive holds with the Company or any other member of the Company Group.

(c) Termination Due to Death or Disability. Executive's employment shall terminate automatically upon his death. The Company may terminate Executive's employment immediately upon the occurrence of a Disability, with such termination to be effective upon Executive's receipt of written notice of such termination. Upon Executive's death or in the event that Executive's employment is terminated due to his Disability, Executive or his estate or his beneficiaries, as the case may be, shall be entitled to:

(i) The Accrued Obligations; and

(ii) Any unpaid Bonus in respect of any completed fiscal year or quarter, as applicable, that has ended prior to the date of such termination, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 75 days following the last day of the fiscal year in which such termination occurred; and

(iii) Subject to satisfaction of the applicable performance objectives applicable for the fiscal year and/or quarter, as applicable, in which such termination occurs, an amount equal to (A) the Annual Bonus and/or Quarterly Bonus otherwise payable to Executive for the fiscal year or quarter, as applicable, in which such termination occurred, assuming Executive had remained employed through the applicable payment date, multiplied by (B) a fraction, the numerator of which is the number of days elapsed from the commencement of such fiscal year or quarter, as applicable, through the date of such termination and the denominator of which is 365 (or 366, as applicable) or 91 (or 92, as applicable) (the "Pro Rata Bonus Amount"), which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 75 days following the last day of the fiscal year in which such termination occurred.

Following Executive's death or a termination of Executive's employment by reason of a Disability, except as set forth in this Section 7(c), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(d) Termination by the Company for Cause.

(i) The Company may terminate Executive's employment at any time for Cause, effective upon delivery to Executive of written notice of such termination; *provided, however*, that with respect to any Cause termination relying on (i), (ii) or (iv) of the definition of Cause, to the extent that such act or acts or failure or failures to act are curable, Executive shall be given not less than thirty (30) days' written notice by the Board of the Company's intention to terminate him for Cause, such notice to state in detail the particular act or acts or failure or failures to act that constitute the grounds on which the proposed termination for Cause is based, and such termination shall be effective at the expiration of such thirty (30) day notice period unless Executive has fully cured such act or acts or failure or failures to act that give rise to Cause during such period.

(ii) In the event that the Company terminates Executive's employment for Cause, he shall be entitled only to the Accrued Obligations. Following such termination of Executive's employment for Cause, except as set forth in this Section 7(d)(ii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(e) Termination by the Company without Cause. The Company may terminate Executive's employment at any time without Cause, effective upon delivery to Executive of written notice of such termination. In the event that Executive's employment is terminated by the Company without Cause (other than due to death or Disability), Executive shall be entitled to:

(i) The Accrued Obligations;

(ii) Any unpaid Bonus in respect of any completed fiscal year or quarter, as applicable, that has ended prior to the date of such termination, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 75 days following the last day of the fiscal year in which such termination occurred;

(iii) The Pro Rata Bonus Amount, which amount shall be paid at such time bonuses are paid to other senior executives of the Company, but in no event later than the date that is 75 days following the last day of the fiscal year in which such termination occurred;

(iv) An amount equal to the Base Salary, such amount to be paid in substantially equal payments during the Severance Term, and payable in accordance with the Company's regular payroll practices; and

(v) Subject to Executive's election of COBRA continuation coverage under the Company's group health plan, payment, on the first regularly scheduled payroll date of each month during the Severance Term, of an amount equal to the difference between the monthly COBRA premium cost to continue coverage for Executive and his then covered dependents and the monthly contribution paid by active employees for the same coverage; *provided*, that the payments described in this clause (v) shall cease earlier than the expiration of the Severance Term in the event that Executive becomes eligible to receive any health benefits as a result of subsequent employment or service during the Severance Term.

Notwithstanding the foregoing, the payments and benefits described in clauses (ii), (iii), (iv) and (v) above shall immediately terminate, and the Company shall have no further obligations to Executive with respect thereto, in the event that Executive breaches any provision set forth in Section 9 hereof. Following such termination of Executive's employment by the Company without Cause, except as set forth in this Section 7(e), Executive shall have no further rights to any compensation or any other benefits under this Agreement. For the avoidance of doubt, Executive's sole and exclusive remedy upon a termination of employment by the Company without Cause shall be receipt of the Severance Benefits; *provided*, that the Company shall reimburse Executive for reasonable, documented attorneys' fees actually incurred in connection with the enforcement of this Agreement to the extent Executive is successful in such enforcement action, not to exceed \$50,000.

(f) Termination by Executive with Good Reason. Executive may terminate his employment with Good Reason by providing the Company thirty (30) days' written notice setting forth in reasonable specificity the event that constitutes Good Reason, which written notice, to be effective, must be provided to the Company within sixty (60) days of the occurrence of such event. During such thirty (30) day notice period, the Company shall have a cure right (if curable), and if not cured within such period, Executive's termination will be effective upon the expiration of such cure period, and Executive shall be entitled to the same payments and benefits as provided in Section 7(e) hereof for a termination by the Company without Cause, subject to the same conditions on payment and benefits as described in Section 7(e) hereof; *provided* that, if Executive terminates his employment with Good Reason on the basis of clause (ii) of the definition of "Good Reason," then the payments required by Section 7(c)(iv) shall be in an amount equal to the Executive's Base Salary in effect immediately prior to the event constituting Good Reason. Following such termination of Executive's employment by Executive with Good Reason, except as set forth in this Section 7(f), Executive shall have no further rights to any compensation or any other benefits under this Agreement. For the avoidance of doubt, Executive's sole and exclusive remedy upon a termination of employment with Good Reason shall be receipt of the Severance Benefits.

(g) Termination by Executive without Good Reason. Executive may terminate his employment without Good Reason by providing the Company thirty (30) days' written notice of such termination. In the event of a termination of employment by Executive under this Section 7(g), Executive shall be entitled only to the Accrued Obligations. In the event of termination of Executive's employment under this Section 7(g), the Company may, in its sole and absolute discretion, by written notice accelerate such date of termination without changing the characterization of such termination as a termination by Executive without Good Reason. Following such termination of Executive's employment by Executive without Good Reason, except as set forth in this Section 7(g), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(h) Release. Notwithstanding any provision herein to the contrary, the payment of any amount or provision of any benefit pursuant to subsection (d) or (e) of this Section 7 (collectively, the "Severance Benefits"), other than the Accrued Obligations, shall be conditioned upon Executive's execution, delivery to the Company, and non-revocation of the Release of Claims (and the expiration of any revocation period contained in such Release of Claims) within sixty (60) days following the date of Executive's termination of employment hereunder (the "Release Execution Period"). If Executive fails to execute the Release of Claims in such a timely manner so as to permit any revocation period to expire prior to the end of such sixty (60) day period, or timely revokes his acceptance of such release following its execution, Executive shall not be entitled to any of the Severance Benefits. No portion of the Severance Benefits (other than Accrued Obligations) shall be paid until the Release has become effective and all amounts shall commence to be paid on the first regular payroll date of the Company after the Release has become effective; *provided*, that, if the Release Execution Period overlaps two calendar years, the first payment shall not be made sooner than the first day of the second year, and shall include any missed payments.

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## Section 8. Certain Payments.

In the event that (i) Executive is entitled to receive any payment, benefit or distribution of any type to or for the benefit of Executive, whether paid or payable, provided or to be provided, or distributed or distributable, pursuant to the terms of this Agreement or otherwise (collectively, the “Payments”), and (ii) the net after-tax amount of such Payments, after Executive has paid all taxes due thereon (including, without limitation, taxes due under Section 4999 of the Code) is less than the net after-tax amount of all such Payments otherwise due to Executive in the aggregate, if such Payments were reduced to an amount equal to 2.99 times Executive’s “base amount” (as defined in Section 280G(b)(3) of the Code), then the aggregate amount of such Payments payable to Executive shall be reduced to an amount that will equal 2.99 times Executive’s base amount. To the extent such aggregate parachute payment amounts are required to be so reduced, the parachute payment amounts due to Executive (but no non-parachute payment amounts) shall be reduced in the following order: (i) the parachute payments that are payable in cash shall be reduced (if necessary, to zero) with amounts that are payable last reduced first; (ii) payments and benefits due in respect of any equity, valued at full value (rather than accelerated value), with the highest values reduced first (as such values are determined under Treasury Regulation Section 1.280G-1, Q&A 24); and (iii) all other non-cash benefits not otherwise described in clause (ii) of this Section 8 reduced last.

## Section 9. Restrictive Covenants

(a) General. Executive acknowledges and recognizes the highly competitive nature of the business of the Company Group, that access to Confidential Information renders Executive special and unique within the industry of the Company Group, and that Executive will have the opportunity to develop substantial relationships with existing and prospective clients, accounts, customers, consultants, contractors, investors, and strategic partners of the Company Group during the course of and as a result of Executive’s employment with the Company. In light of the foregoing, as a condition of Executive’s employment by the Company, and in consideration of Executive’s employment hereunder and the compensation and benefits provided herein, Executive acknowledges and agrees to the covenants contained in this Section 9. Executive further recognizes and acknowledges that the restrictions and limitations set forth in this Section 9 are reasonable and valid in geographical and temporal scope and in all other respects and are essential to protect the value of the business and assets of the Company Group.

### (b) Confidential Information.

(i) Executive acknowledges that, during the Term of Employment, Executive will have access to information about the Company Group and that his employment with the Company shall bring him into close contact with confidential and proprietary information of the Company Group. In recognition of the foregoing, Executive agrees, at all times during the Term of Employment and thereafter, to hold in confidence, and not to use, except for the benefit of the Company Group, or to disclose to any Person without written authorization of the Company, any Confidential Information.

(ii) Nothing in this Agreement shall prohibit or impede Executive from communicating, cooperating or filing a complaint with any U.S. federal, state or local governmental or law enforcement branch, agency or entity (collectively, a "Governmental Entity") with respect to possible violations of any U.S. federal, state or local law or regulation, or otherwise making disclosures to any Governmental Entity, in each case, that are protected under the whistleblower provisions of any such law or regulation, provided that in each case such communications and disclosures are consistent with applicable law. Executive understands and acknowledges that an individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that is made (i) in confidence to a Federal, State, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Executive understands and acknowledges further that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. Moreover, Executive is not required to give prior notice to (or get prior authorization from) the Company regarding any such communication or disclosure. Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of Company's General Counsel or other officer designated by the Company.

(c) Assignment of Intellectual Property.

(i) Executive agrees that he will, without additional compensation, promptly make full written disclosure to the Company, and will hold in trust for the sole right and benefit of the Company all developments, original works of authorship, inventions, concepts, know-how, improvements, trade secrets, and similar proprietary rights, whether or not patentable or registrable under copyright or similar laws, which Executive may solely or jointly conceive or develop or reduce to practice, or cause to be conceived or developed or reduced to practice, during the Term of Employment, whether or not during regular working hours, provided they either (i) relate at the time of conception or reduction to practice of the invention to the business of any member of the Company Group, or actual or demonstrably anticipated research or development of any member of the Company Group; (ii) result from or relate to any work performed for any member of the Company Group; or (iii) are developed through the use of equipment, supplies, or facilities of any member of the Company Group, or any Confidential Information, or in consultation with personnel of any member of the Company Group (collectively referred to as "Developments"). Executive further acknowledges that all Developments made by Executive (solely or jointly with others) within the scope of and during the Term of Employment are "works made for hire" (to the greatest extent permitted by applicable law) for which Executive is, in part, compensated by his Base Salary, unless regulated otherwise by law, but that, in the event any such Development is deemed not to be a work made for hire, Executive hereby assigns to the Company, or its designee, all Executive's right, title, and interest throughout the world in and to any such Development.

(ii) Executive agrees to assist the Company, or its designee, at the Company's expense, in every way to secure the rights of the Company Group in the Developments and any copyrights, patents, trademarks, service marks, database rights, domain names, mask work rights, moral rights, and other intellectual property rights relating thereto in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, recordations, and all other instruments that the Company shall deem necessary in order to apply for, obtain, maintain, and transfer such rights and in order to assign and convey to the Company Group the sole and exclusive right, title, and interest in and to such Developments, and any intellectual property and other proprietary rights relating thereto. Executive further agrees that his obligation to execute or cause to be executed, when it is in Executive's power to do so, any such instrument or papers shall continue after the termination of the Term of Employment until the expiration of the last such intellectual property right to expire in any country of the world; *provided, however,* that the Company shall reimburse Executive for his reasonable expenses incurred in connection with carrying out the foregoing obligation. If the Company is unable because of Executive's mental or physical incapacity or unavailability for any other reason to secure Executive's signature to apply for or to pursue any application for any United States or foreign patents or copyright registrations covering Developments or original works of authorship assigned to the Company as above, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact to act for and in Executive's behalf and stead to execute and file any such applications or records and to do all other lawfully permitted acts to further the application for, prosecution, issuance, maintenance, and transfer of letters patent or registrations thereon with the same legal force and effect as if originally executed by me. Executive hereby waives and irrevocably quitclaims to the Company any and all claims, of any nature whatsoever, that Executive now or hereafter have for past, present, or future infringement of any and all proprietary rights assigned to the Company.

(d) Non-Competition. During the Term of Employment and the Post-Termination Restricted Period, Executive shall not, directly or indirectly engage in, have any equity interest in, or manage, provide services to or operate any Person (whether as director, officer, employee, agent, representative, partner, member, security holder, consultant or otherwise) that engages in any business, directly or indirectly (through a subsidiary or otherwise), which competes with the Business within the United States of America or any other jurisdiction in which any member of the Company Group engages in business, derives a material portion of its revenues or has demonstrable plans to commence business activities; *provided,* that during the Post-Termination Restricted Period (i) "Business" shall refer only to business activities related to lines of business that the Company Group then-currently engages in or has demonstrable plans to engage in as of Executive's termination of employment and (ii) solely in any geographic areas of operation in which any member of the Company Group engages in business, derives a material portion of its revenues or has demonstrable plans to commence business activities in as of Executive's termination of employment.

Notwithstanding the foregoing, (A) Executive may purchase or otherwise own up to (but not more than) 2.00% of any class of securities of any enterprise (but without otherwise participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange or have been registered under Section 12(g) of the Securities Exchange Act of 1934 and (B) nothing herein shall prevent Executive from directly or indirectly

engaging in, having any equity interest in, or managing, providing services to or otherwise operating any Person that primarily engages in an upstream oil and gas business (i.e., the exploration and production of oil and gas) or a midstream oil and gas business (i.e., gathering, processing, treating, transportation or distribution of oil and gas), in each case so long as less than 5% of the revenues of such business are derived from the provision of services or equipment related to contract compression to any third Persons.

(e) Non-Interference. During the Term of Employment and the Post-Termination Restricted Period, Executive shall not, directly or indirectly for his own account or for the account of any other Person, engage in Interfering Activities.

(f) Non-Disparagement. During the Term of Employment and at all times thereafter, Executive agrees not to make any statement (directly or through Executive's representatives) that is intended to become public, or should reasonably be expected to become public, and that disparages, or is otherwise derogatory of any member of the Company Group; provided that the limitations set forth in this Section 9(f) shall not apply in respect of any statement that is required to be made by applicable law, is the type of communication described in Section 9(b)(ii), or is reasonably necessary in connection with the enforcement of rights under this Agreement or any other written agreement to which the Company or any other member of the Company Group, on the one hand, and Executive or any of Executive's affiliates, on the other hand, are parties.

(g) Return of Documents. In the event of Executive's termination of employment hereunder for any reason, Executive shall deliver to the Company (and will not keep in his possession, recreate, or deliver to anyone else) any and all Confidential Information and all other documents, materials, information reduced to physical form, and property developed by Executive pursuant to his employment hereunder or otherwise belonging to the Company Group.

(h) Independence; Severability; Blue Pencil. Each of the rights enumerated in this Section 9 shall be independent of the others and shall be in addition to and not in lieu of any other rights and remedies available to the Company Group at law or in equity. If any of the provisions of this Section 9 or any part of any of them is hereafter construed or adjudicated to be invalid or unenforceable, the same shall not affect the remainder of this Section 9, which shall be given full effect without regard to the invalid portions. If any of the covenants contained herein are held to be invalid or unenforceable because of the duration of such provisions or the area or scope covered thereby, each of the Company and Executive agree that the court making such determination shall have the power to reduce the duration, scope, and/or area of such provision to the maximum and/or broadest duration, scope, and/or area permissible by law, and in its reduced form said provision shall then be enforceable.

(i) Injunctive Relief. Executive expressly acknowledges that any breach or threatened breach of any of the terms and/or conditions set forth in this Section 9 may result in substantial, continuing, and irreparable injury to the members of the Company Group. Therefore, Executive hereby agrees that, in addition to any other remedy that may be available to the Company, any member of the Company Group shall be entitled to seek injunctive relief, specific performance, or other equitable relief by a court of appropriate jurisdiction in the event of any breach or threatened breach of the terms of this Section 9. Notwithstanding any other provision to the contrary, Executive acknowledges and agrees that the Post-Termination Restricted Period shall be tolled during any period of violation of any of the covenants in this Section 9.



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(j) Other Covenants. Notwithstanding anything contained in this Agreement to the contrary, in the event that Executive is subject to similar restrictive covenants pursuant to any other agreement with any member of the Company Group, including, without limitation, under the Equity Documents ("Other Covenants"), the covenants contained in this Agreement shall be in addition to, and not in lieu of, any such Other Covenants, and enforcement by the Company of the covenants contained in this Agreement shall not preclude the applicable member of the Company Group from enforcing such Other Covenants in accordance with their terms.

**Section 10. Representations and Warranties of Executive.**

Executive represents and warrants to the Company that:

(a) Executive is entering into this Agreement voluntarily and that his employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by him of any agreement to which he is a party or by which he may be bound;

(b) Executive has not violated, and in connection with his employment with the Company will not violate, any non-solicitation, non-competition, or other similar covenant or agreement with any Person by which he is or may be bound;

(c) In connection with his employment with the Company, Executive will not use any confidential or proprietary information he may have obtained in connection with employment or service with any prior service recipient; and

(d) Executive has not been terminated from any prior employer or service recipient, or otherwise disciplined in connection any such relationship, in connection with, or as a result of, any claim of workplace sexual harassment or sex or gender discrimination, and to Executive's knowledge, Executive has not been the subject of any investigation, formal allegation, civil or criminal complaint, charge, or settlement regarding workplace sexual harassment or sex or gender discrimination.

**Section 11. Taxes.**

The Company may withhold from any payments made under this Agreement all applicable taxes, including but not limited to income, employment, and social insurance taxes, as shall be required by law. Executive acknowledges and represents that the Company has not provided any tax advice to him in connection with this Agreement and that he has been advised by the Company to seek tax advice from his own tax advisors regarding this Agreement and payments that may be made to him pursuant to this Agreement, including specifically, the application of the provisions of Section 409A of the Code to such payments.

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## Section 12. Set Off; Mitigation.

The Company's obligation to pay Executive the amounts provided and to make the arrangements provided hereunder shall be subject to set-off, counterclaim, or recoupment of amounts owed by Executive to the Company or its affiliates; *provided, however*, that to the extent any amount so subject to set-off, counterclaim, or recoupment is payable in installments hereunder, such set-off, counterclaim, or recoupment shall not modify the applicable payment date of any installment, and to the extent an obligation cannot be satisfied by reduction of a single installment payment, any portion not satisfied shall remain an outstanding obligation of Executive and shall be applied to the next installment only at such time the installment is otherwise payable pursuant to the specified payment schedule. Executive shall not be required to mitigate the amount of any payment provided pursuant to this Agreement by seeking other employment or otherwise, and except as provided in Section 7(e)(v) hereof, the amount of any payment provided for pursuant to this Agreement shall not be reduced by any compensation earned as a result of Executive's other employment or otherwise.

## Section 13. Additional Section 409A Provisions.

Notwithstanding any provision in this Agreement to the contrary:

(a) Any payment otherwise required to be made hereunder to Executive at any date as a result of the termination of Executive's employment shall be delayed for such period of time as may be necessary to meet the requirements of Section 409A(a)(2)(B)(i) of the Code (the "Delay Period"). On the first business day following the expiration of the Delay Period, Executive shall be paid, in a single cash lump sum, an amount equal to the aggregate amount of all payments delayed pursuant to the preceding sentence, and any remaining payments not so delayed shall continue to be paid pursuant to the payment schedule set forth herein.

(b) Each payment in a series of payments hereunder shall be deemed to be a separate payment for purposes of Section 409A of the Code.

(c) Notwithstanding anything herein to the contrary, the payment (or commencement of a series of payments) hereunder of any nonqualified deferred compensation (within the meaning of Section 409A of the Code) upon a termination of employment shall be delayed until such time as Executive has also undergone a "separation from service" as defined in Treas. Reg. 1.409A-1(h), at which time such nonqualified deferred compensation (calculated as of the date of Executive's termination of employment hereunder) shall be paid (or commence to be paid) to Executive on the schedule set forth in Section 7 as if Executive had undergone such termination of employment (under the same circumstances) on the date of his ultimate "separation from service."

(d) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Code), (i) any such expense reimbursement shall be made by the Company no later than the last day of the taxable year following the taxable year in which such expense was incurred by Executive, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided, however*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect.

(e) While the payments and benefits provided hereunder are intended to be structured in a manner to avoid the implication of any penalty taxes under Section 409A of the Code, in no event whatsoever shall any member of the Company Group be liable for any additional tax, interest, or penalties that may be imposed on Executive as a result of Section 409A of the Code or any damages for failing to comply with Section 409A of the Code (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A of the Code).

**Section 14. Successors and Assigns; No Third-Party Beneficiaries.**

(a) The Company. This Agreement shall inure to the benefit of the Company and its respective successors and assigns. Neither this Agreement nor any of the rights, obligations, or interests arising hereunder may be assigned by the Company to a Person (other than another member of the Company Group, or its or their respective successors) without Executive's prior written consent (which shall not be unreasonably withheld, delayed, or conditioned); *provided, however*, that in the event of a sale of all or substantially all of the assets of the Company or any direct or indirect division or subsidiary thereof to which Executive's employment primarily relates, the Company may provide that this Agreement will be assigned to, and assumed by, the acquiror of such assets, division or subsidiary, as applicable, without Executive's consent.

(b) Executive. Executive's rights and obligations under this Agreement shall not be transferable by Executive by assignment or otherwise, without the prior written consent of the Company; *provided, however*, that if Executive shall die, all amounts then payable to Executive hereunder shall be paid in accordance with the terms of this Agreement to Executive's devisee, legatee, or other designee, or if there be no such designee, to Executive's estate.

(c) No Third-Party Beneficiaries. Except as otherwise set forth in Section 7(c) or Section 14(b) hereof, nothing expressed or referred to in this Agreement will be construed to give any Person other than the Company, the other members of the Company Group, and Executive any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement.

**Section 15. Waiver and Amendments.**

Any waiver, alteration, amendment, or modification of any of the terms of this Agreement shall be valid only if made in writing and signed by each of the parties hereto; *provided, however*, that any such waiver, alteration, amendment, or modification must be consented to on the Company's behalf by the Board. No waiver by either of the parties hereto of their rights hereunder shall be deemed to constitute a waiver with respect to any subsequent occurrences or transactions hereunder unless such waiver specifically states that it is to be construed as a continuing waiver.

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**Section 16. Severability.**

If any covenants or such other provisions of this Agreement are found to be invalid or unenforceable by a final determination of a court of competent jurisdiction, (a) the remaining terms and provisions hereof shall be unimpaired, and (b) the invalid or unenforceable term or provision hereof shall be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision hereof.

**Section 17. Governing Law; Arbitration.**

THIS AGREEMENT IS GOVERNED BY AND IS TO BE CONSTRUED UNDER THE LAWS OF THE STATE OF TEXAS. The parties agree to submit to confidential and binding arbitration all claims arising out of or relating to this Agreement or Executive's employment or the termination thereof, including all claims under federal or state law. Neither party shall be entitled to join or consolidate claims in arbitration by or against other individuals or entities, or arbitrate any claim as a representative member of a class. The arbitration shall take place before a single arbitrator in Brazos County, Texas or Montgomery County, Texas, under the then-current rules of the Employment Arbitration and Mediation Procedures of the American Arbitration Association. The arbitrator shall be required to state in a written opinion all facts and conclusions of law relied upon to support any decision or award rendered, and such decision or award will be final and binding upon the parties. Any disagreement as to whether a particular dispute is arbitrable under this Agreement will itself be subject to determination by the arbitrator in arbitration in accordance with the procedures set forth herein. Notwithstanding anything to the contrary contained herein, claims under Section 9 of this Agreement need not be submitted to arbitration and may be filed in any court of competent jurisdiction in Brazos County, Texas or Montgomery County, Texas.

**Section 18. Notices.**

(a) Place of Delivery. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom or which it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided; *provided, however*, that unless and until some other address be so designated, all notices and communications by Executive to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices and communications by the Company to Executive may be given to Executive personally or may be mailed to Executive at Executive's last known address, as reflected in the Company's records.

(b) Date of Delivery. Any notice so addressed shall be deemed to be given (i) if delivered by hand, on the date of such delivery, (ii) if mailed by courier or by overnight mail, on the first business day following the date of such mailing, and (iii) if mailed by registered or certified mail, on the third business day after the date of such mailing.

**Section 19. Section Headings.**

The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part thereof or affect the meaning or interpretation of this Agreement or of any term or provision hereof.

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**Section 20. Entire Agreement.**

This Agreement, together with any exhibits attached hereto, constitutes the entire understanding and agreement of the parties hereto regarding the employment of Executive. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings, and agreements between the parties relating to the subject matter of this Agreement.

**Section 21. Survival of Operative Sections.**

Upon any termination of Executive's employment, the provisions of Section 7 through Section 22 of this Agreement (together with any related definitions set forth on Appendix A) shall survive to the extent necessary to give effect to the provisions thereof.

**Section 22. Counterparts.**

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The execution of this Agreement may be by actual or facsimile signature.

**Section 23. Conditional Upon Closing of Transactions.**

This Agreement shall be conditioned upon the closing of the transactions contemplated by the Purchase Agreement. In the event that the Purchase Agreement terminates prior to the closing of the transactions contemplated thereby, this Agreement shall be void *ab initio*.

**Section 24. Company Covenant Agreement.**

Executive and Parent hereby acknowledge and agree that, subject to and effective as of the effectiveness of this Agreement, upon the closing of the transactions contemplated by the Purchase Agreement, this Agreement shall supersede and replace that certain Covenant Agreement, dated as of March 1, 2016, by and Executive and the Company (the "Company Covenant Agreement"). Upon the closing of the transactions contemplated by the Purchase Agreement, the Company Covenant Agreement shall terminate and be of no further force or effect.

\* \* \*

[Signatures to appear on the following page.]

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IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

FRONTIER TOPCO PARTNERSHIP, L.P.

By: Frontier TopCo GP, LLC, its general partner

/s/ Nathalie Brabers

Name:Nathalie Brabers

Title:President

/s/ Willem van Rooyen

Name:Willem van Rooyen

Title:Secretary

*[Signature Page to Employment Agreement]*

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**EXECUTIVE**

/s/ Chad Lenamon

Chad Lenamon

*[Signature Page to Employment Agreement]*

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**EXHIBIT A**

**RELEASE OF CLAIMS**



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**Exhibit B**

**Award Agreement**

## SUBSIDIARIES OF KODIAK GAS SERVICES, INC.

<b>Name of Subsidiary</b>	<b>Jurisdiction of Organization</b>
Kodiak Gas Services, LLC	Delaware
Pegasus Optimization Employer, LLC	Delaware
Pegasus EOR, LLC	Delaware
Pegasus Optimization Managers, LLC	Delaware
PRM Compression II, LLC	Wyoming

Consent of Independent Registered Public Accounting Firm

Kodiak Gas Services, Inc.  
Montgomery, Texas

We hereby consent to the use in the Prospectus constituting a part of this Registration Statement of our report dated March 6, 2023, relating to the consolidated financial statement of Kodiak Gas Services, Inc. which is contained in that Prospectus.

We also consent to the reference to us under the caption “Experts” in the Prospectus.

/s/ BDO USA, LLP

March 31, 2023

**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 22, 2023

/s/ Robert M. McKee

Name: Robert M. McKee

**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 22, 2023

/s/ Randall Hogan

Name: Randall Hogan

**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 22, 2023

/s/ Terry Bonno

Name: Terry Bonno

**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 22, 2023

/s/ Margaret Montana

Name: Margaret Montana

**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 21, 2023

/s/ Jon-Al Duplantier

Name: Jon-Al Duplantier



**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 28, 2023

/s/ Christopher Drumgoole  
Name: Christopher Drumgoole

**CONSENT OF DIRECTOR NOMINEE**

Kodiak Gas Services, Inc. (the “Company”) is filing a Registration Statement on FormS-1 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Securities Act”), in connection with the initial public offering (“IPO”) of its common stock. In connection with the IPO, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of the Company in the Registration Statement, as may be amended from time to time. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments thereto.

Dated: March 29, 2023

/s/ Gretchen Holloway

Name: Gretchen Holloway

## Calculation of Filing Fee Tables

Form S-1  
(Form Type)Kodiak Gas Services, Inc.  
(Exact Name of Registrant as Specified in its Charter)

Table 1: Newly Registered and Carry Forward Securities

	Security Type	Security Class Title	Fee Calculation or Carry Forward Rule	Amount Registered	Proposed Maximum Offering Price Per Unit	Maximum Aggregate Offering Price(1)(2)	Fee Rate	Amount of Registration Fee(3)	Carry Forward Form Type	Carry Forward File Number	Carry Forward Initial effective date	Filing Fee Previously Paid In Connection with Unsold Securities to be Carried Forward
<b>Newly Registered Securities</b>												
Fees to Be Paid	Equity	Common Stock, par value \$0.01 per share(1)	457(o)	—	—	\$100,000,000.00	.00011020	\$11,020.00				
<b>Carry Forward Securities</b>												
Carry Forward Securities	—	—	—	—		—			—	—	—	—
	<b>Total Offering Amounts</b>					\$100,000,000.00		\$11,020.00				
	<b>Total Fees Previously Paid</b>											
	<b>Total Fee Offsets</b>											
	<b>Net Fee Due</b>							\$11,020.00				

- (1) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) of the Securities Act of 1933, as amended (the "Securities Act").
- (2) Includes shares of our Common Stock that the underwriters have the option to purchase to cover over-allotments.
- (3) Calculated pursuant to Rule 457(o) under the Securities Act based on an estimate of the proposed maximum aggregate offering price of the shares of Common Stock to be sold by the Registrant.