

REFINITIV

DELTA REPORT

10-Q

TTI - TETRA TECHNOLOGIES INC

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

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TOTAL DELTAS 14920

■ CHANGES 147
■ DELETIONS 13727
■ ADDITIONS 1046

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended **June 30, 2023** **September 30, 2023**

or

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

For the transition period from to

Commission File Number 1-13455

TETRA Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

74-2148293

(I.R.S. Employer Identification No.)

24955 Interstate 45 North

The Woodlands,

Texas

(Address of Principal Executive Offices)

77380

(Zip Code)

(281) 367-1983

(Registrant's Telephone Number, Including Area Code)

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	TTI	New York Stock Exchange
Preferred Share Purchase Right	N/A	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of **July 28, 2023**, there were **129,556,619** **130,079,173** shares outstanding of the Company's Common Stock, \$0.01 par value per share.

TETRA Technologies, Inc. and Subsidiaries

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PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

TETRA Technologies, Inc. and Subsidiaries Consolidated Statements of Operations (In Thousands, Except Per Share Amounts) (Unaudited)

	Revenues:	Three Months Ended		Six Months Ended		Three Months Ended		Nine Months Ended	
		June 30,		June 30,		September 30,		September 30,	
		2023	2022	2023	2022	2023	2022	2023	2022
Revenues:	Revenues:								
Product sales	Product sales	\$ 96,217	\$ 70,301	\$ 161,752	\$ 140,356	Product sales	\$ 68,967	\$ 55,494	\$ 230,719
Services	Services	79,246	70,415	159,920	130,397	Services	82,497	79,518	242,417
Total revenues	Total revenues	175,463	140,716	321,672	270,753	Total revenues	151,464	135,012	473,136
Cost of revenues:	Cost of revenues:					Cost of revenues:			
Cost of product sales	Cost of product sales	55,873	48,341	98,268	94,345	Cost of product sales	41,410	36,571	139,678
Cost of services	Cost of services	61,201	54,258	122,872	101,942	Cost of services	63,552	60,334	186,424
Depreciation, amortization, and accretion	Depreciation, amortization, and accretion	8,457	7,748	17,127	15,427	Depreciation, amortization, and accretion	8,578	8,634	25,705
									24,061

Impairments and other charges	Impairments and other charges	777	2,262	777	2,262	Impairments and other charges	—	—	777	2,262
Insurance recoveries	Insurance recoveries	—	—	(2,850)	(3,750)	Insurance recoveries	—	—	(2,850)	(3,750)
Total cost of revenues	Total cost of revenues	126,308	112,609	236,194	210,226	Total cost of revenues	113,540	105,539	349,734	315,765
Gross profit	Gross profit	49,155	28,107	85,478	60,527	Gross profit	37,924	29,473	123,402	90,000
Exploration and pre-development costs	Exploration and pre-development costs	2,341	634	3,061	2,564	Exploration and pre-development costs	3,775	936	6,836	3,500
General and administrative expense	General and administrative expense	26,225	23,620	49,416	44,263	General and administrative expense	23,838	23,833	73,254	68,096
Interest expense, net	Interest expense, net	5,944	3,610	11,036	6,934	Interest expense, net	5,636	3,999	16,672	10,933
Other income, net	Other income, net	(6,435)	(1,037)	(6,649)	(3,448)	Other income, net	(2,041)	(1,410)	(8,690)	(4,858)
Income before taxes and discontinued operations	Income before taxes and discontinued operations	21,080	1,280	28,614	10,214	Income before taxes and discontinued operations	6,716	2,115	35,330	12,329
Provision for income taxes	Provision for income taxes	2,875	(479)	4,364	721	Provision for income taxes	1,248	2,178	5,612	2,899
Income before discontinued operations		18,205	1,759	24,250	9,493					
Income (loss) before discontinued operations		(8)	(34)	(20)	(49)	Income (loss) before discontinued operations	5,468	(63)	29,718	9,430
Loss from discontinued operations, net of taxes										
Income (loss) from discontinued operations, net of taxes						Income (loss) from discontinued operations, net of taxes	(48)	319	(68)	270
Net income	Net income	18,197	1,725	24,230	9,444	Net income	5,420	256	29,650	9,700
Loss attributable to noncontrolling interests	Loss attributable to noncontrolling interests	18	20	25	21	Loss attributable to noncontrolling interests	—	22	25	43
Net income attributable to TETRA stockholders	Net income attributable to TETRA stockholders	\$ 18,215	\$ 1,745	\$ 24,255	\$ 9,465	Net income attributable to TETRA stockholders	\$ 5,420	\$ 278	\$ 29,675	\$ 9,743
Basic net income per common share:	Basic net income per common share:					Basic net income per common share:				
Income from continuing operations	Income from continuing operations	\$ 0.14	\$ 0.01	\$ 0.19	\$ 0.07	Income from continuing operations	\$ 0.04	\$ 0.00	\$ 0.23	\$ 0.08
Income from discontinued operations		—	—	—	—					
Net income attributable to TETRA stockholders	Net income attributable to TETRA stockholders	\$ 0.14	\$ 0.01	\$ 0.19	\$ 0.07	Net income attributable to TETRA stockholders	\$ 0.04	\$ 0.00	\$ 0.23	\$ 0.08
Weighted average basic shares outstanding	Weighted average basic shares outstanding	129,460	127,992	129,201	127,627	Weighted average basic shares outstanding	129,777	128,407	129,395	127,890

Diluted net income per common share:	Diluted net income per common share:	Diluted net income per common share:						
Income from continuing operations	Income from continuing operations	Income from continuing operations						
	\$ 0.14	\$ 0.01	\$ 0.19	\$ 0.07	\$ 0.04	\$ 0.00	\$ 0.23	\$ 0.08
Income from discontinued operations	—	—	—	—	—	—	—	—
Net income attributable to TETRA stockholders	Net income attributable to TETRA stockholders	Net income attributable to TETRA stockholders						
	\$ 0.14	\$ 0.01	\$ 0.19	\$ 0.07	\$ 0.04	\$ 0.00	\$ 0.23	\$ 0.08
Weighted average diluted shares outstanding	Weighted average diluted shares outstanding	Weighted average diluted shares outstanding						
	129,925	130,099	129,953	129,654	132,089	128,407	130,835	129,704

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income

(In Thousands)
 (Unaudited)

	Net income	Three Months Ended		Six Months Ended		Three Months Ended		Nine Months Ended		
		June 30,		June 30,		September 30,		September 30,		
		2023	2022	2023	2022	2023	2022	2023	2022	
Net income	Net income	\$ 18,197	\$ 1,725	\$ 24,230	\$ 9,444	Net income	\$ 5,420	\$ 256	\$ 29,650	\$ 9,700
Foreign currency translation adjustment from continuing operations, net of taxes of \$0 in 2023 and 2022	Foreign currency translation adjustment from continuing operations, net of taxes of \$0 in 2023 and 2022	1,045	(3,414)	2,466	(3,222)	Foreign currency translation adjustment from continuing operations, net of taxes of \$0 in 2023 and 2022	(2,750)	(3,873)	(284)	(7,095)
Unrealized gain on investment in CarbonFree	Unrealized gain on investment in CarbonFree	207	—	328	—	Unrealized gain (loss) on investment in CarbonFree	146	(306)	474	(306)
Unrealized gain (loss) on investment in CarbonFree	Unrealized gain (loss) on investment in CarbonFree	—	—	—	—	Comprehensive income (loss)	2,816	(3,923)	29,840	2,299
Comprehensive income (loss)	Comprehensive income (loss)	19,449	(1,689)	27,024	6,222	Less:	—	—	—	—
Less:	Less:	—	—	—	—	Comprehensive loss attributable to noncontrolling interests	—	22	25	43
Comprehensive loss attributable to noncontrolling interests	Comprehensive loss attributable to noncontrolling interests	18	20	25	21	Comprehensive income (loss) attributable to TETRA stockholders	\$ 2,816	\$ (3,901)	\$ 29,865	\$ 2,342
Comprehensive income (loss) attributable to TETRA stockholders	Comprehensive income (loss) attributable to TETRA stockholders	\$ 19,467	\$ (1,669)	\$ 27,049	\$ 6,243	Comprehensive loss attributable to TETRA stockholders	\$ 2,816	\$ (3,901)	\$ 29,865	\$ 2,342

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries

Consolidated Balance Sheets
(In Thousands)

		June 30, 2023	December 31, 2022			September 30, 2023		
		(Unaudited)	(Unaudited)			(Unaudited)		
ASSETS	ASSETS							
Current assets:	Current assets:							
Cash and cash equivalents	Cash and cash equivalents	\$ 27,675	\$ 13,592					
Trade accounts receivable, net of allowances of \$1,177 in 2023 and \$538 in 2022		130,386	129,631					
Trade accounts receivable, net of allowances of \$508 in 2023 and \$538 in 2022								
Inventories	Inventories	81,833	72,113					
Prepaid expenses and other current assets	Prepaid expenses and other current assets	21,058	23,112					
Total current assets	Total current assets	260,952	238,448					
Property, plant, and equipment:	Property, plant, and equipment:							
Land and building	Land and building	23,488	25,723					
Machinery and equipment	Machinery and equipment	320,977	318,693					
Automobiles and trucks	Automobiles and trucks	10,796	11,832					
Chemical plants	Chemical plants	64,743	63,528					
Construction in progress	Construction in progress	4,588	7,660					
Total property, plant, and equipment	Total property, plant, and equipment	424,592	427,436					
Less accumulated depreciation	Less accumulated depreciation	(315,098)	(325,856)					
Net property, plant, and equipment	Net property, plant, and equipment	109,494	101,580					
Other assets:	Other assets:							
Patents, trademarks and other intangible assets, net of accumulated amortization of \$49,447 in 2023 and \$46,996 in 2022		31,102	32,955					
Patents, trademarks and other intangible assets, net of accumulated amortization of \$49,904 in 2023 and \$46,996 in 2022								
Operating lease right-of-use assets	Operating lease right-of-use assets	36,964	33,818					
Investments	Investments	16,718	14,286					
Other assets	Other assets	14,762	13,279					
Total other assets	Total other assets	99,546	94,338					
Total assets	Total assets	\$ 469,992	\$ 434,366					
		\$ 472,419	\$ 434,366					

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries

Consolidated Balance Sheets
(In Thousands, Except Share Amounts)

	LIABILITIES AND EQUITY	June 30, 2023		December 31, 2022		September 30, 2023		December 31, 2022	
		(Unaudited)				(Unaudited)			
		LIABILITIES AND EQUITY	LIABILITIES AND EQUITY	LIABILITIES AND EQUITY	LIABILITIES AND EQUITY				
Current liabilities:	Current liabilities:								
Trade accounts payable	Trade accounts payable	\$ 53,673	\$ 49,121			Trade accounts payable	\$ 50,322	\$ 49,121	
Current portion of long-term debt	Current portion of long-term debt	1,900	3			Current portion of long-term debt	1,911	3	
Compensation and employee benefits	Compensation and employee benefits	23,117	30,958			Compensation and employee benefits	31,090	30,958	
Operating lease liabilities, current portion	Operating lease liabilities, current portion	8,461	7,795			Operating lease liabilities, current portion	8,745	7,795	
Accrued taxes	Accrued taxes	10,898	9,913			Accrued taxes	10,777	9,913	
Accrued liabilities and other	Accrued liabilities and other	27,368	25,557			Accrued liabilities and other	23,281	25,557	
Current liabilities associated with discontinued operations	Current liabilities associated with discontinued operations	414	920			Current liabilities associated with discontinued operations	414	920	
Total current liabilities	Total current liabilities	125,831	124,267			Total current liabilities	126,540	124,267	
Long-term debt, net	Long-term debt, net	156,007	156,455			Long-term debt, net	156,748	156,455	
Operating lease liabilities	Operating lease liabilities	31,136	28,108			Operating lease liabilities	28,013	28,108	
Asset retirement obligations	Asset retirement obligations	13,983	13,671			Asset retirement obligations	14,132	13,671	
Deferred income taxes	Deferred income taxes	2,000	2,038			Deferred income taxes	1,890	2,038	
Other liabilities	Other liabilities	3,978	3,430			Other liabilities	3,959	3,430	
Total long-term liabilities	Total long-term liabilities	207,104	203,702			Total long-term liabilities	204,742	203,702	
Commitments and contingencies (Note 7)	Commitments and contingencies (Note 7)					Commitments and contingencies (Note 7)			
Equity:	Equity:					Equity:			
TETRA stockholders' equity:	TETRA stockholders' equity:					TETRA stockholders' equity:			
Common stock, par value 0.01 per share; 250,000,000 shares authorized at June 30, 2023 and December 31, 2022; 132,695,294 shares issued at June 30, 2023 and 131,800,975 shares issued at December 31, 2022		1,327	1,318						
Common stock, par value 0.01 per share; 250,000,000 shares authorized at September 30, 2023 and December 31, 2022; 133,217,848 shares issued at September 30, 2023 and 131,800,975 shares issued at December 31, 2022						Common stock, par value 0.01 per share; 250,000,000 shares authorized at September 30, 2023 and December 31, 2022; 133,217,848 shares issued at September 30, 2023 and 131,800,975 shares issued at December 31, 2022			
Additional paid-in capital	Additional paid-in capital	481,448	477,820			Additional paid-in capital	482,709	477,820	
Treasury stock, at cost; 3,138,675 shares held at June 30, 2023 and December 31, 2022		(19,957)	(19,957)			Treasury stock, at cost; 3,138,675 shares held at September 30, 2023 and December 31, 2022			
Treasury stock, at cost; 3,138,675 shares held at September 30, 2023 and December 31, 2022						Treasury stock, at cost; 3,138,675 shares held at September 30, 2023 and December 31, 2022			

Accumulated other comprehensive loss	Accumulated other comprehensive loss	(46,269)	(49,063)	Accumulated other comprehensive loss	(48,873)	(49,063)
Retained deficit	Retained deficit	(278,238)	(302,493)	Retained deficit	(272,818)	(302,493)
Total TETRA stockholders' equity	Total TETRA stockholders' equity	138,311	107,625	Total TETRA stockholders' equity	142,393	107,625
Noncontrolling interests	Noncontrolling interests	(1,254)	(1,228)	Noncontrolling interests	(1,256)	(1,228)
Total equity	Total equity	137,057	106,397	Total equity	141,137	106,397
Total liabilities and equity	Total liabilities and equity	\$ 469,992	\$ 434,366	Total liabilities and equity	\$ 472,419	\$ 434,366

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Statements of Equity
 (In Thousands)
 (Unaudited)

	Accumulated Other Comprehensive Income (Loss)										Accumulated Other Comprehensive Income (Loss)					
	Common					Unrealized Gain (Loss)					Common					
	Stock	Additional				Stock	on	Retained	Noncontrolling	Total	Stock	Additional	on	Treasury	Stock	
	Par	Paid-In	Currency	Treasury	Stock	Translation	Stock	on	Investment	Deficit	Interest	Capital	Investment	Stock		
Balance at December 31, 2022	Balance at December 31, 2022	\$ 1,318	\$ 477,820			\$ (19,957)	\$ (48,991)	\$ (72)	\$ (302,493)	\$ (1,228)	\$ 106,397				Balance at December 31, 2022	
Net income (loss) for first quarter 2023	Net income (loss) for first quarter 2023	—	—	—	—	—	—	6,040	—	(7)	6,033	—	—	—	Net income (loss) for first quarter 2023	
Translation adjustment, net of taxes of \$0	Translation adjustment, net of taxes of \$0	—	—	—	—	1,421	—	—	—	—	1,421	—	—	—	Translation adjustment, net of taxes of \$0	
Other comprehensive income	Other comprehensive income	—	—	—	—	—	121	—	—	—	121	—	—	—	Other comprehensive income	
Comprehensive income	Comprehensive income	—	—	—	—	—	—	—	—	—	7,575	—	—	—	Comprehensive income	
Equity-based compensation	Equity-based compensation	—	3,514	—	—	—	—	—	—	—	3,514	—	3,514	—	Equity-based compensation	
Other	Other	7	(1,341)	—	—	—	—	—	—	1	(1,333)	Other	7	(1,341)	—	—
Balance at March 31, 2023	Balance at March 31, 2023	\$ 1,325	\$ 479,993			\$ (19,957)	\$ (47,570)	\$ 49	\$ (296,453)	\$ (1,234)	\$ 116,153				Balance at March 31, 2023	
Net income (loss) for second quarter 2023	Net income (loss) for second quarter 2023	—	—	—	—	—	—	18,215	—	(18)	18,197	—	—	—	Net income (loss) for second quarter 2023	
Translation adjustment, net of taxes of \$0	Translation adjustment, net of taxes of \$0	—	—	—	—	1,045	—	—	—	—	1,045	—	—	—	Translation adjustment, net of taxes of \$0	
Other comprehensive income	Other comprehensive income	—	—	—	—	—	207	—	—	—	207	—	—	—	Other comprehensive income	
Comprehensive income	Comprehensive income	—	—	—	—	—	—	—	—	—	19,449	—	—	—	Comprehensive income	

Equity-based compensation	Equity-based compensation	—	1,507	—	—	—	—	1,507	Equity-based compensation	—	1,507	—	—	—	
Other	Other	—	(52)	—	—	—	(2)	(52)	Other	—	(52)	—	—	—	
Balance at June 30, 2023	Balance at June 30, 2023	\$ 1,327	\$ 481,448	\$ (19,957)	\$ (46,525)	\$ 256	\$ (278,238)	\$ (1,254)	\$ 137,057	Balance at June 30, 2023	\$ 1,327	\$ 481,448	\$ (19,957)	\$ (46,525)	\$ 256
Net income for third quarter 2023										Net income for third quarter 2023					
Translation adjustment, net of taxes of \$0										Translation adjustment, net of taxes of \$0					
Other comprehensive income										Other comprehensive income					
Comprehensive income										Comprehensive income					
Equity-based compensation										Equity-based compensation					
Other										Other					
Balance at September 30, 2023										Balance at September 30, 2023					

(i) Equity-based compensation for the three months ended March 31, 2023 includes \$2.3 million for a portion of short-term incentive compensation that was settled through grants of restricted stock units rather than cash.

	Accumulated Other Comprehensive Loss							Total Equity	
	Common Stock	Additional Paid-In Capital		Treasury Stock	Currency Translation		Retained Deficit		
		Par Value	Capital		Translation	Deficit			
Balance at December 31, 2021	\$ 1,301	\$ 475,624	\$ (19,957)	\$ (46,932)	\$ (310,332)	\$ (1,141)	\$ 98,563		
Net income (loss) for first quarter 2022	—	—	—	—	7,720	(1)		7,719	
Translation adjustment, net of taxes of \$0	—	—	—	192	—	—		192	
Comprehensive income								7,911	
Equity compensation expense	—	1,104	—	—	—	—		1,104	
Other	7	(673)	—	—	—	(10)		(676)	
Balance at March 31, 2022	\$ 1,308	\$ 476,055	\$ (19,957)	\$ (46,740)	\$ (302,612)	\$ (1,152)	\$ 106,902		
Net income (loss) for second quarter 2022	—	—	—	—	1,745	(20)		1,725	
Translation adjustment, net of taxes of \$0	—	—	—	(3,414)	—	—		(3,414)	
Comprehensive income (loss)								(1,689)	
Equity compensation expense	—	1,159	—	—	—	—		1,159	
Other	6	(833)	—	—	—	(9)		(836)	
Balance at June 30, 2022	\$ 1,314	\$ 476,381	\$ (19,957)	\$ (50,154)	\$ (300,867)	\$ (1,181)	\$ 105,536		

	Accumulated Other Comprehensive Loss							Total Equity	
	Common Stock	Additional Paid-In Capital		Treasury Stock	Unrealized Gain (Loss) on Investment		Retained Deficit		
		Par Value	Capital		Currency Translation	Investment			
Balance at December 31, 2021	\$ 1,301	\$ 475,624	\$ (19,957)	\$ (46,932)	\$ —	\$ (310,332)	\$ (1,141)	\$ 98,563	
Net income (loss) for first quarter 2022	—	—	—	—	—	7,720	(1)	7,719	
Translation adjustment, net of taxes of \$0	—	—	—	192	—	—	—	192	

Comprehensive income										7,911
Equity compensation expense	—	1,104	—	—	—	—	—	—	—	1,104
Other	7	(673)	—	—	—	—	—	—	(10)	(676)
Balance at March 31, 2022	\$ 1,308	\$ 476,055	\$ (19,957)	\$ (46,740)	\$ —	\$ (302,612)	\$ —	\$ (1,152)	\$ 106,902	
Net income (loss) for second quarter 2022	—	—	—	—	—	1,745	—	(20)	—	1,725
Translation adjustment, net of taxes of \$0	—	—	—	(3,414)	—	—	—	—	—	(3,414)
Comprehensive loss										(1,689)
Equity compensation expense	—	1,159	—	—	—	—	—	—	—	1,159
Other	6	(833)	—	—	—	—	—	(9)	—	(836)
Balance at June 30, 2022	\$ 1,314	\$ 476,381	\$ (19,957)	\$ (50,154)	\$ —	\$ (300,867)	\$ —	\$ (1,181)	\$ 105,536	
Net income (loss) for third quarter 2022	—	—	—	—	—	—	278	(22)	—	256
Translation adjustment, net of taxes of \$0	—	—	—	(3,873)	—	—	—	—	—	(3,873)
Other comprehensive loss	—	—	—	—	(306)	—	—	—	—	(306)
Comprehensive loss										(3,923)
Equity compensation expense	—	1,098	—	—	—	—	—	—	—	1,098
Other	4	(949)	—	—	—	—	—	(10)	—	(955)
Balance at September 30, 2022	\$ 1,318	\$ 476,530	\$ (19,957)	\$ (54,027)	\$ (306)	\$ (300,589)	\$ (1,213)	\$ 101,756		

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In Thousands, Unaudited)

	Operating activities:	Six Months Ended				Nine Months Ended			
		June 30,				September 30,			
		2023	2022	2023	2022	2023	2022	2023	2022
Operating activities:	Operating activities:					Operating activities:			
Net income	Net income	\$ 24,230	\$ 9,444	Net income	\$ 29,650	\$ 9,700			
Reconciliation of net income to net cash provided by operating activities:	Reconciliation of net income to net cash provided by operating activities:			Reconciliation of net income to net cash provided by operating activities:					
Depreciation, amortization, and accretion	Depreciation, amortization, and accretion	17,127	15,427	Depreciation, amortization, and accretion	25,705	24,061			
Impairment and other charges	Impairment and other charges	777	2,262	Impairment and other charges	777	2,262			
Gain on investments		(403)	(390)	Loss on investments	157	159			
Loss on investments	Equity-based compensation expense	2,768	2,263	Equity-based compensation expense	4,199	3,361			
Provision for credit losses	Provision for credit losses	720	244	Provision for credit losses	190	31			
Amortization and expense of financing costs	Amortization and expense of financing costs	1,781	1,573	Amortization and expense of financing costs	2,707	2,378			
Insurance recoveries associated with damaged equipment	Insurance recoveries associated with damaged equipment	(2,850)	(3,750)	Insurance recoveries associated with damaged equipment	(2,850)	(3,750)			
Gain on sale of assets	Gain on sale of assets	(281)	(719)	Gain on sale of assets	(432)	(980)			

Provision (benefit) for deferred taxes				Provision (benefit) for deferred taxes	(805)	(66)
Other non-cash credits	Other non-cash credits	(737)	(313)	Other non-cash credits	(916)	(359)
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:			Changes in operating assets and liabilities:		
Accounts receivable	Accounts receivable	(514)	(14,581)	Accounts receivable	7,600	(16,661)
Inventories	Inventories	(8,549)	4,519	Inventories	(19,990)	(5,707)
Prepaid expenses and other current assets	Prepaid expenses and other current assets	2,242	(2,282)	Prepaid expenses and other current assets	1,313	(3,782)
Trade accounts payable and accrued expenses	Trade accounts payable and accrued expenses	443	11,185	Trade accounts payable and accrued expenses	2,893	17,069
Other	Other	603	(1,079)	Other	1,133	(1,768)
Net cash provided by operating activities	Net cash provided by operating activities	37,357	23,803	Net cash provided by operating activities	51,331	25,948
Investing activities:	Investing activities:			Investing activities:		
Purchases of property, plant, and equipment, net	Purchases of property, plant, and equipment, net	(23,274)	(20,412)	Purchases of property, plant, and equipment, net	(30,240)	(32,678)
Proceeds from sale of property, plant, and equipment	Proceeds from sale of property, plant, and equipment	497	1,194	Proceeds from sale of property, plant, and equipment	658	1,489
Proceeds from insurance recoveries associated with damaged equipment	Proceeds from insurance recoveries associated with damaged equipment	2,850	3,750	Proceeds from insurance recoveries associated with damaged equipment	2,850	3,750
Purchase of investment		(250)	—	Purchase of investments	(350)	—
Purchase of investments				Other investing activities	(1,836)	(841)
Other investing activities	Other investing activities	(1,827)	(451)	Net cash used in investing activities	(28,918)	(28,280)
Net cash used in investing activities	Net cash used in investing activities	(22,004)	(15,919)	Financing activities:		
Financing activities:	Financing activities:			Proceeds from credit agreements and long-term debt	97,384	1,695
Proceeds from credit agreements and long-term debt	Proceeds from credit agreements and long-term debt	97,169	1,667	Principal payments on credit agreements and long-term debt	(98,441)	(3,292)
Principal payments on credit agreements and long-term debt	Principal payments on credit agreements and long-term debt	(98,237)	(3,267)	Payments on financing lease obligations	(837)	(1,174)
Payments on financing lease obligations	Payments on financing lease obligations	(689)	(1,174)	Net cash used in financing activities	(1,894)	(2,771)
Net cash used in financing activities	Net cash used in financing activities	(1,757)	(2,774)	Effect of exchange rate changes on cash	(285)	(1,201)
Effect of exchange rate changes on cash	Effect of exchange rate changes on cash	487	(329)	Increase (decrease) in cash and cash equivalents	20,234	(6,304)
Increase in cash and cash equivalents		14,083	4,781			
Increase (decrease) in cash and cash equivalents						

Cash and cash equivalents	Cash and cash equivalents		Cash and cash equivalents	
at beginning of period	at beginning of period		at beginning of period	
		13,592		13,592
			31,551	31,551
Cash and cash equivalents	Cash and cash equivalents		Cash and cash equivalents	
at end of period	at end of period	\$ 27,675	\$ 36,332	\$ 33,826
				\$ 25,247

See Notes to Consolidated Financial Statements

TETRA Technologies, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

NOTE 1 – ORGANIZATION, BASIS OF PRESENTATION, AND SIGNIFICANT ACCOUNTING POLICIES

Organization

We are an energy services and solutions company operating on six continents, focused on calcium chloride, completion fluids and associated products and services, comprehensive water management solutions, frac flowback, and production well testing and offshore rig cooling, testing. We were incorporated in Delaware in 1981 and are composed of two segments – Completion Fluids & Products Division and Water & Flowback Services Division. Unless the context requires otherwise, when we refer to "we," "us," and "our," we are describing TETRA Technologies, Inc. and its subsidiaries on a consolidated basis.

Presentation

Our unaudited consolidated financial statements include the accounts of our wholly owned or controlled subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The information furnished reflects all normal recurring adjustments, which are, in the opinion of management, necessary to provide a fair statement of the results for the interim periods. Operating results for the period ended June 30, 2023 September 30, 2023 are not necessarily indicative of results that may be expected for the twelve months ended December 31, 2023.

We have reflected the operations of our former Compression Division and Offshore Division as discontinued operations for all periods presented. See Note 2 - "Discontinued Operations" for further information. Unless otherwise noted, amounts and disclosures throughout these Notes to Consolidated Financial Statements relate solely to continuing operations and exclude all discontinued operations.

The accompanying unaudited consolidated financial statements have been prepared in accordance with Rule 10-01 of Regulation S-X for interim financial statements required to be filed with the U.S. Securities and Exchange Commission ("SEC") and do not include all information and footnotes required by U.S. generally accepted accounting principles ("U.S. GAAP") for complete financial statements. These financial statements should be read in conjunction with the financial statements for the year ended December 31, 2022 and notes thereto included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 27, 2023 (the "[2022 Annual Report](#)").

Tax Benefits Preservation Plan

On February 28, 2023, the Board of Directors adopted a Tax Benefits Preservation Plan (the "Tax Plan") designed to protect the availability of the Company's net operating loss carryforwards ("NOLs") and other tax attributes (collectively, the "Tax Attributes"), which may be utilized in certain circumstances to reduce the Company's future income tax obligations. The Tax Plan is intended to reduce the likelihood that any changes in the Company's investor base would limit the Company's future use of its Tax Attributes as a result of the Company experiencing an "ownership change" under Section 382 ("Section 382") of the Internal Revenue Code of 1986, as amended (the "Code"). If a corporation experiences an "ownership change," any NOLs, losses or deductions attributable to a "net unrealized built-in loss" and other Tax Attributes could be substantially limited, and timing of the usage of such Tax Attributes could be substantially delayed. A corporation generally will experience an ownership change if one or more stockholders (or group of stockholders) who are each deemed to own at least 5% of the corporation's stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a testing period (generally, a rolling three-year period).

In adopting the Tax Plan, the Board of Directors declared a dividend of one Series A Junior Participating Preferred Stock purchase right (the "Rights") for each outstanding share of Common Stock pursuant to the terms of the Tax Plan. Initially, each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value \$0.01 per share, of the Company (the "Preferred Stock") at a price of \$20.00 per one one-thousandth of a share of Preferred Stock (the "Purchase Price"), subject to adjustment. The Rights will cause substantial dilution to a person or group that acquires 4.99% or more of the Common Stock (or to a person or group that already owns 4.99% or more of the Company's Common Stock if such person or group acquires additional shares representing 2% of the Company's then outstanding shares of Common Stock) without prior approval from the Board of Directors.

The Rights will expire at the earliest of: (i) the close of business on February 28, 2026 (the "Final Expiration Date"); (ii) the time at which the Rights are redeemed pursuant to the Tax Plan, (iii) the time at which the Rights are exchanged pursuant to the Tax Plan; (iv) the closing of any merger or other acquisition transaction involving the Company pursuant to an agreement as described in the penultimate paragraph of Section 1.3 of the Tax Plan; (v) the close of business on the effective date of the repeal of Section 382 of the Code if the Board determines that the Tax Plan is no longer necessary or desirable for the preservation of the Tax Attributes; or (vi) the close of business on the first day of a taxable year of the Company following a Board determination that no Tax Attributes may be carried forward or otherwise utilized.

The Tax Plan adopted by the Board of Directors is similar to plans adopted by other publicly held companies with significant NOLs or other substantial tax benefits and is not designed to prevent any action that the Board of Directors determines to be in the best interest of the Company and its stockholders. At the Company's 2023 annual meeting

of stockholders held on May 24, 2023, the Company's stockholders ratified the adoption of the Tax Plan.

The Rights are in all respects subject to and governed by the provisions of the Tax Plan. The foregoing summary provides only a general description of the Tax Plan and does not purport to be complete. The Tax Plan, which specifies the terms of the Rights and includes as Exhibit A the Form of Certificate of Designation of Series A Junior Participating Preferred Stock of the Company and as Exhibit B the Form of Right Certificate, is attached to the Company's Current Report on Form 8-K, which was filed with the SEC on March 1, 2023, as Exhibit 4.1 and is incorporated herein by reference. The foregoing summary should be read together with the entire Tax Plan and is qualified in its entirety by reference to the Tax Plan.

Mineral Resources Arrangement

We have rights to the brine underlying our approximately 40,000 gross acres of brine leases in the Smackover Formation in Southwest Arkansas, including rights to the bromine and lithium contained in the brine. We recognized approximately \$2.3 \$3.8 million and \$3.1 \$6.8 million of expense during the three-month and six-month nine-month periods ended June 30, 2023 September 30, 2023, respectively, and \$0.6 \$0.9 million and \$2.6 \$3.5 million of expense during the three-month and six-month nine-month periods ended June 30, 2022 September 30, 2022, respectively, for exploration and pre-development costs representing expenditures incurred to evaluate potential future development of our lithium and bromine properties in Arkansas. We are also party to agreements whereby Standard Lithium Ltd. (NYSE: SLI) ("Standard Lithium") has the right to explore for, and an option to acquire the rights to produce and extract, lithium in our Arkansas leases and other potential resources in the Mojave region of California. Standard Lithium delivered a notice to exercise this option to acquire those lithium rights in our Arkansas leases on October 6, 2023.

In June 2023, we entered into a memorandum of understanding ("MOU") with Saltwerx LLC ("Saltwerx"), an indirect wholly owned subsidiary of a Fortune 500 company, relating to a newly-proposed brine unit in the Smackover Formation in Southwest Arkansas and potential bromine and lithium production from brine produced from the unit. The binding provisions of the MOU provide, among other things, that (i) we will file We filed an amended brine unit application ("the Application") covering approximately 6,138 acres, which expands the size of the unit area and also combines brine acreage that was previously leased by each of TETRA and Saltwerx ("the Brine Unit"), with the Arkansas Oil & Gas Commission ("AOGC"). On September 26, 2023, the AOGC held a public hearing and (ii) Saltwerx will provide unanimously approved our application to establish the Brine Unit. On October 17, 2023, the AOGC issued formal orders establishing the Brine Unit and integrating all unleased parties within the Brine Unit, subject to a letter 60-day statutory election period for each unleased party, to us elect whether or not to participate and share in support costs of the Application. The MOU also contains provisions effective after, and contingent on, the approval development of the Brine Unit. If no such election is made within the election period, such unleased parties will be deemed integrated within the Brine Unit by as described in the AOGC, including formal orders. The MOU includes provisions relating to: (i) initial brine ownership percentages within the Brine Unit, including the bromine and lithium contained in the brine, (ii) the transfer of certain leased acres outside the proposed Brine Unit from the Company to Saltwerx after the expiration of the 60-day election period, (iii) Saltwerx reimbursing the Company for certain expenses incurred by the Company to date regarding the development of leased acreage to be included in the Brine Unit, and (iv) an allocation of certain future costs for the drilling of a brine production test well and other development operations, including FEED front-end engineering and design studies for bromine and lithium production facilities. We recognized approximately \$4.7 million of income during the three-month and six-month periods ended June 30, 2023 for income from collaborative arrangement representing the portion of exploration and pre-development costs that are reimbursable by Saltwerx and is included in other income, net in our consolidated statements of operations.

Significant Accounting Policies

Our significant accounting policies are described in the notes to our consolidated financial statements for the year ended December 31, 2022 included in our [2022 Annual Report](#). There have been no significant changes in our accounting policies or the application thereof during the second third quarter of 2023.

Use of Estimates

The preparation of 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 disclose contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and impairments during the reporting period. Actual results could differ from those estimates, and such differences could be material.

Reclassifications

Certain previously reported financial information has been reclassified to conform to the current year's presentation. The impact of reclassifications was not significant to the prior year's overall presentation.

Foreign Currency Translation

We have designated the Euro, the British pound, the Canadian dollar, the Brazilian real, and the Mexican peso as the functional currencies for our operations in Finland and Sweden, the United Kingdom, Canada, Brazil, and certain of our operations in Mexico, respectively. The United States dollar is the designated functional currency for all of our other non-U.S. operations. The cumulative translation effects of translating the applicable accounts from the functional currencies into the United States dollar at current exchange rates are included as a separate component of equity. Foreign currency exchange gains (losses) are included in other (income) expense, net and totaled losses of \$67,000 less than \$0.1 million and \$0.2 million \$0.3 million during the three and six nine months ended June 30, 2023 September 30, 2023, respectively, and gains of \$0.8 million \$(1.1) million and \$1.6 million \$(2.7) million during the three and six nine months ended June 30, 2022 September 30, 2022, respectively.

Fair Value Measurements

We utilize fair value measurements to account for certain items and account balances within our consolidated financial statements. Fair value measurements are utilized on a recurring basis in the determination of the carrying values of certain investments. See Note 8 - "Fair Value Measurements" for further discussion. Fair value measurements are also utilized on a nonrecurring basis in certain circumstances, including the impairment of long-lived assets (a Level 3 fair value measurement).

Supplemental Cash Flow Information

Supplemental cash flow information is as follows:

		Six Months Ended June 30,				Nine Months Ended September 30,			
		2023		2022		2023		2022	
		(in thousands)				(in thousands)			
Interest paid	Interest paid	\$ 9,412	\$ 8,056	Interest paid	\$ 14,282	\$ 11,578			
Income taxes paid	Income taxes paid	\$ 2,012	\$ 1,470	Income taxes paid	\$ 3,918	\$ 2,525			
		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022			
		(in thousands)				(in thousands)			
Accrued capital expenditures	Accrued capital expenditures	\$ 3,142	\$ 4,901	Accrued capital expenditures	\$ 1,271	\$ 4,901			

New Accounting Pronouncements

Standards adopted during 2023

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". ASU 2016-13 amends the impairment model to utilize an expected loss methodology in place of the previously-used incurred loss methodology, which will result in the more timely recognition of losses on financial instruments not accounted for at fair value through net income. The provisions require credit impairments to be measured over the contractual life of an asset and developed with consideration for past events, current conditions, and forecasts of future economic information. Credit impairment will be accounted for as an allowance for credit losses deducted from the amortized cost basis at each reporting date. Updates at each reporting date after initial adoption will be recorded through selling, general, and administrative expense. On January 1, 2023, we adopted ASU 2016-13. The adoption of this standard did not have a material impact on our consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848)", which provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by the discontinuation of the London Interbank Offered Rate ("LIBOR") or by another reference rate expected to be discontinued. In December 2022, the FASB issued ASU 2022-06, "Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848." During the three months ended June 30, 2023, our asset-based credit agreement and term credit agreement were amended to replace LIBOR and Eurodollar rates with the secured overnight financing rate ("SOFR"). There were no significant costs associated with the amendments and the amendments did not have a significant impact on our consolidated financial statements.

NOTE 2 – DISCONTINUED OPERATIONS

On March 1, 2018, we closed a series of related transactions that resulted in the disposition of our Offshore Division, consisting of our Offshore Services and Maritech segments. Our former Offshore Division is reported as discontinued operations for all periods presented. Our consolidated balance sheets and consolidated statements of operations report discontinued operations separate from continuing operations. Our consolidated statements of comprehensive income, statements of equity and statements of cash flows combine continuing and discontinued operations. Our loss from discontinued operations for the three and **six** nine months ended **June 30, 2023** consist **September 30, 2023** consists primarily of general and administrative expense associated with **ongoing litigation** for our former Offshore Division. A summary of additional financial information related to our discontinued operations is as follows:

Reconciliation of the Line Items Constituting Pretax Loss from Discontinued Operations to the After-Tax Loss from Discontinued Operations (in thousands, unaudited)

	Three Months Ended June 30, 2022		
	Offshore Services	Maritech	Total
Major classes of line items constituting income from discontinued operations			
Cost of revenues	\$ 54	\$ —	\$ 54
General and administrative expense	8	—	8
Other income, net	—	(28)	(28)
Pretax income (loss) from discontinued operations	(62)	28	(34)
Loss from discontinued operations attributable to TETRA stockholders			\$ (34)

				Three Months Ended September 30, 2022		
				Offshore Services		
Major classes of line items constituting income from discontinued operations						
General and administrative expense				\$		510
Pretax loss from discontinued operations						(510)
Pretax gain on disposal of discontinued operations						829
Total pretax income from discontinued operations						319
Income from discontinued operations attributable to TETRA stockholders				\$		319
	Six Months Ended June 30, 2022			Nine Months Ended September 30, 2022		
	Offshore Services	Maritech	Total	Offshore Services	Maritech	Total
Major classes of line items constituting income from discontinued operations	Major classes of line items constituting income from discontinued operations			Major classes of line items constituting income from discontinued operations		
Cost of revenues	Cost of revenues	\$ 55	\$ —	\$ 54	\$ —	\$ 54
General and administrative expense	General and administrative expense	22	—	533	—	533
Other income, net	Other income, net	—	(28)	—	(28)	(28)
Pretax income (loss) from discontinued operations	Pretax income (loss) from discontinued operations	(77)	28	(49)	(587)	28
Pretax gain on disposal of discontinued operations				Pretax gain on disposal of discontinued operations		
Total pretax income from discontinued operations				Total pretax income from discontinued operations		
Loss from discontinued operations attributable to TETRA stockholders			\$ (49)			270
Income from discontinued operations attributable to TETRA stockholders				Income from discontinued operations attributable to TETRA stockholders		\$ 270

**Reconciliation of Major Classes of Assets and Liabilities of the Discontinued Operations to Amounts Presented Separately in the Statement of Financial Position
(in thousands)**

	June 30, 2023			September 30, 2023		
	Offshore Services	Maritech	Total	Offshore Services	Maritech	Total
(unaudited)						

Carrying amounts of major classes of liabilities included as part of discontinued operations	Carrying amounts of major classes of liabilities included as part of discontinued operations
Trade payables	Trade payables \$ 319 \$ — \$319
Accrued liabilities and other	Accrued liabilities and other — 95 95
Total liabilities associated with discontinued operations	Total liabilities associated with discontinued operations \$ 319 \$ 95 \$414

	December 31, 2022		
	Offshore Services	Maritech	Total
Carrying amounts of major classes of liabilities included as part of discontinued operations			
Trade payables	\$ 319	\$ —	\$ 319
Accrued liabilities and other	506	95	601
Total liabilities associated with discontinued operations	\$ 825	\$ 95	\$ 920

NOTE 3 – REVENUE FROM CONTRACTS WITH CUSTOMERS

Our contract asset balances, primarily associated with contractual invoicing milestones and/or customer documentation requirements, were \$36.7 million and \$33.1 million as of **June 30, 2023** **September 30, 2023** and December 31, 2022, respectively. Contract assets, along with billed trade accounts receivable, are included in trade accounts receivable in our consolidated balance sheets.

Unearned income includes amounts in which the Company was contractually allowed to invoice prior to satisfying the associated performance obligations. We are also party to agreements whereby Standard Lithium **Ltd.**

(NYSE: SLI) ("Standard Lithium") has the right to explore for, and an option to acquire the rights to produce and extract, lithium in our Arkansas leases and other potential resources in the Mojave region of California. The Company receives cash and stock of Standard Lithium under the terms of the arrangements. The cash and stock component of consideration received is initially recorded as unearned income based on the quoted market price at the time the stock is received, then recognized in income over the contract term. Unearned income balances were \$5.1 million \$4.0 million and \$3.7 million as of **June 30, 2023** **September 30, 2023** and December 31, 2022, respectively, and vary based on the timing of (i) invoicing, (ii) performance obligations being met and (iii) the receipt of stock and cash from Standard Lithium. Unearned income is included in accrued liabilities and other in our consolidated balance sheets. During the **six-month** **three-month** and **nine-month** periods ended **June 30, 2023** **September 30, 2023** and **June 30, 2022** **September 30, 2022**, contract costs were not significant.

We recognized approximately \$1.4 million and \$0.9 million of revenue during the three-month and six-month nine-month periods ended **June 30, 2023** **September 30, 2023**, respectively, and \$0.2 million and \$0.5 million of revenue during the three-month and six-month nine-month periods ended **June 30, 2022** **September 30, 2022**, respectively, deferred in unearned income as of the beginning of the period. We also recognized approximately \$0.8 million and \$1.4 million of income during the three-month and six-month nine-month periods ended **June 30, 2023** **September 30, 2023**, respectively, and \$0.9 million and \$1.5 million of income during the three-month and six-month nine-month periods ended **June 30, 2022** **September 30, 2022**, respectively, related to the Standard Lithium arrangements deferred in unearned income as of the beginning of the period and included in other income, net in our consolidated statements of operations.

We disaggregate revenue from contracts with customers into Product Sales and Services within each segment, as noted in our two reportable segments in Note 10 – "Industry Segments." In addition, we disaggregate revenue from contracts with customers by geography based on the following table below.

Three Months Ended June 30,	Six Months Ended June 30,	Three Months Ended September 30,	Nine Months Ended September 30,
--------------------------------	------------------------------	-------------------------------------	------------------------------------

Completion Fluids & Products	Completion Fluids & Products	2023		2022		2023		2022				
		(in thousands)				(in thousands)						
		United States	United States	\$ 45,859	\$ 34,344	\$ 78,682	\$ 73,188	United States	\$ 36,484	\$ 30,261	\$ 115,167	\$ 103,449
International	International			52,363	40,454	88,582	74,804	International	36,726	28,902	125,307	103,706
				98,222	74,798	167,264	147,992		73,210	59,163	240,474	207,155
Water & Flowback Services	Water & Flowback Services							Completion Fluids & Products				
United States	United States	68,231		61,654		136,569		United States	67,877	67,641	204,446	182,059
International	International	9,010		4,264		17,839		International	10,377	8,208	28,216	16,551
		77,241		65,918		154,408			78,254	75,849	232,662	198,610
Total Revenue	Total Revenue							Total Revenue				
United States	United States	114,090		95,998		215,251		United States	104,361	97,902	319,613	285,508
International	International	61,373		44,718		106,421		International	47,103	37,110	153,523	120,257
		\$ 175,463		\$ 140,716		\$ 321,672			\$ 151,464	\$ 135,012	\$ 473,136	\$ 405,765

NOTE 4 – INVENTORIES

Components of inventories as of June 30, 2023 September 30, 2023 and December 31, 2022 are as follows:

		June 30, 2023		December 31, 2022		September 30, 2023		December 31, 2022	
		(in thousands)				(in thousands)			
Finished goods	Finished goods	\$ 68,141		\$ 60,481		Finished goods	\$ 79,689	\$ 60,481	
Raw materials	Raw materials		5,287		3,734	Raw materials	4,313	3,734	
Parts and supplies	Parts and supplies		6,477		6,432	Parts and supplies	6,622	6,432	
Work in progress	Work in progress		1,928		1,466	Work in progress	1,504	1,466	
Total inventories	Total inventories	\$ 81,833		\$ 72,113		Total inventories	\$ 92,128	\$ 72,113	

Finished goods inventories include newly manufactured clear brine fluids as well as used brines that are repurchased from certain customers for recycling.

NOTE 5 – INVESTMENTS

Our investments as of June 30, 2023 September 30, 2023 and December 31, 2022 consist of the following:

		June 30, 2023		December 31, 2022		September 30, 2023		December 31, 2022	
		(in thousands)				(in thousands)			
Investment in CSI Compressco	Investment in CSI Compressco	\$ 6,599		\$ 6,967		Investment in CSI Compressco	\$ 7,228	\$ 6,967	
Investment in CarbonFree	Investment in CarbonFree		6,269		6,139	Investment in CarbonFree	6,563	6,139	
Investment in Standard Lithium	Investment in Standard Lithium		3,600		1,180	Investment in Standard Lithium	2,264	1,180	
Other investment		250		—				—	
Other investments						Other investments	350	—	
Total Investments	Total Investments	\$ 16,718		\$ 14,286		Total Investments	\$ 16,405	\$ 14,286	

Following the January 2021 sale of the general partner of CSI Compressco LP ("CSI Compressco"), we continue to own approximately 3.7% of the outstanding CSI Compressco common units (NASDAQ: CCLP) as of June 30, 2023 September 30, 2023.

We have an intellectual property joint development agreement in place with CarbonFree to evaluate potential new technologies. CarbonFree is a carbon capture company with patented technologies that capture CO₂ and mineralize emissions to make commercial, carbon-negative chemicals. In December 2021, we invested \$5.0 million in a convertible

note issued by CarbonFree. Our exposure to potential losses by CarbonFree ~~are~~ is limited to our investments and capitalized and accrued interest associated with the CarbonFree convertible note.

In addition, we are party to agreements whereby Standard Lithium has the right to explore for, and an option to acquire the rights to produce and extract, lithium in our Arkansas leases and other additional potential resources in the Mojave region of California. The Company receives cash and stock of Standard Lithium under the terms of the arrangements. The cash and stock component of consideration received is initially recorded as unearned income based on the quoted market price at the time the stock is received, then recognized in income over the contract term.

See Note 8 - "Fair Value Measurements" for further information.

NOTE 6 – LONG-TERM DEBT AND OTHER BORROWINGS

Consolidated long-term debt as of ~~June 30, 2023~~ ~~September 30, 2023~~ and December 31, 2022 consists of the following:

		Scheduled Maturity			June 30, 2023			December 31, 2022			Scheduled Maturity			September 30, 2023			December 31, 2022		
					(in thousands)												(in thousands)		
Term Credit Agreement ⁽¹⁾	Term Credit Agreement ⁽¹⁾	September 10, 2025	\$ 156,007	\$ 154,570	Term Credit Agreement ⁽¹⁾	September 10, 2025	\$ 156,748	\$ 154,570											
Asset-Based Credit Agreement ⁽²⁾	Asset-Based Credit Agreement ⁽²⁾	May 31, 2025	—	1,885	Asset-Based Credit Agreement ⁽²⁾	May 31, 2025	—	1,885											
Argentina Credit Agreement	Argentina Credit Agreement	October 19, 2023	1,900	—	Argentina Credit Agreement	October 19, 2023	1,900	—											
Swedish Credit Facility	Swedish Credit Facility	December 31, 2023	—	3	Swedish Credit Facility	December 31, 2023	11	3											
Total debt	Total debt		157,907	156,458	Total debt		158,659	156,458											
Less current portion	Less current portion		(1,900)	(3)	Less current portion		(1,911)	(3)											
Total long-term debt	Total long-term debt		\$ 156,007	\$ 156,455	Total long-term debt		\$ 156,748	\$ 156,455											

(1) Net of unamortized discount of ~~\$2.8~~ ~~\$2.5~~ million and \$3.4 million as of ~~June 30, 2023~~ ~~September 30, 2023~~ and December 31, 2022, respectively, and net of unamortized deferred financing costs of ~~\$4.2~~ ~~\$3.8~~ million and \$5.1 million as of ~~June 30, 2023~~ ~~September 30, 2023~~ and December 31, 2022, respectively.

(2) Net of unamortized deferred financing costs of \$1.1 million as of December 31, 2022. Deferred financing costs of ~~\$0.9~~ ~~\$0.7~~ million as of ~~June 30, 2023~~ ~~September 30, 2023~~ were classified as other long-term assets on the accompanying consolidated balance sheet as there was no outstanding balance on our asset-based credit agreement.

Term Credit Agreement

As of ~~June 30, 2023~~ ~~September 30, 2023~~, we had ~~\$156.0~~ ~~\$156.7~~ million outstanding, net of unamortized discounts and unamortized deferred financing costs under our term credit agreement ("Term Credit Agreement"). The Term Credit Agreement requires us to offer to prepay up to 50% of Excess Cash Flow (as defined in the Term Credit Agreement) from the most recent full fiscal year within five business days of filing our Annual Report. If our Leverage Ratio (as defined in

defined in the Term Credit Agreement) at year-end is less than 2.00 to 1.00, the prepayment requirement is decreased to 25%. If our Leverage Ratio at year-end is less than 1.50 to 1.00, then no prepayment is required.

The Term Credit Agreement was amended in June 2023 to remove references to LIBOR and Eurodollar rates. Borrowings under the Term Credit Agreement bear interest at a rate per annum equal to, at the option of TETRA, either (i) SOFR (subject to a 1% floor) plus a margin of 6.25% per annum or (ii) a base rate plus a margin of 5.25% per annum. As of ~~June 30, 2023~~ ~~September 30, 2023~~, the interest rate per annum on borrowings under the Term Credit Agreement is ~~11.40%~~ ~~11.68%~~. In addition to paying interest on the outstanding principal under the Term Credit Agreement, TETRA is required to pay a commitment fee in respect of the unutilized commitments at the rate of 1.0% per annum, paid quarterly in arrears based on utilization of the commitments under the Term Credit Agreement.

All obligations under the Term Credit Agreement and the guarantees of those obligations are secured, subject to certain exceptions, by a security interest for the benefit of the Term Lenders on substantially all of the personal property of TETRA and certain of its subsidiaries, the equity interests in certain domestic subsidiaries, and a maximum of 65% of the equity interests in certain foreign subsidiaries.

ABL Credit Agreement

As of ~~June 30, 2023~~ ~~September 30, 2023~~, our asset-based credit agreement ("ABL Credit Agreement") provides for a senior secured revolving credit facility of up to \$80.0 million, with a \$20.0 million accordion. The credit facility is subject to a borrowing base determined monthly by reference to the value of inventory and accounts receivable,

and includes a sublimit of \$20.0 million for letters of credit, a swingline loan sublimit of \$11.5 million, and a \$15.0 million sub-facility subject to a borrowing base consisting of certain trade receivables and inventory in the United Kingdom.

As of **June 30, 2023** **September 30, 2023**, we had no balance outstanding and \$11.5 million in letters of credit and guarantees under our ABL Credit Agreement. Subject to compliance with the covenants, borrowing base, and other provisions of the ABL Credit Agreement that may limit borrowings, we had availability of **\$66.6** **\$68.5** million under this agreement.

The ABL Credit Agreement was amended in May 2023 to remove references to LIBOR. Borrowings under the ABL Credit Agreement bear interest at a rate per annum equal to, at the option of TETRA, either (i) SOFR plus 0.10%, (ii) a base rate plus a margin based on a fixed charge coverage ratio, (iii) the Daily Simple Risk Free Rate plus 0.10%, or (iv) with respect to borrowings denominated in Sterling, the Daily Simple Risk Free Rate for Sterling plus 0.0326%. The base rate is determined by reference to the highest of (a) the prime rate of interest as announced from time to time by JPMorgan Chase Bank, N.A. (b) the Federal Funds Effective Rate (as defined in the ABL Credit Agreement) plus 0.5% per annum and (c) SOFR (adjusted to reflect any required bank reserves) for a one-month period on such day plus 1.0% per annum. In addition to paying interest on the outstanding principal under the ABL Credit Agreement, TETRA is required to pay a commitment fee in respect of the unutilized commitments at an applicable rate ranging from 0.375% to 0.5% per annum, paid monthly in arrears based on utilization of the commitments under the ABL Credit Agreement. TETRA is also required to pay a customary letter of credit fee equal to the applicable margin on LIBOR-based loans and fronting fees.

All obligations under the ABL Credit Agreement and the guarantees of those obligations are secured, subject to certain exceptions, by a security interest for the benefit of the ABL Lenders on substantially all of the personal property of TETRA and certain subsidiaries of TETRA, the equity interests in certain domestic subsidiaries, and a maximum of 65% of the equity interests in certain foreign subsidiaries.

[Argentina Credit Agreement](#)

In January 2023, the Company entered into a revolving credit facility for certain working capital and capital expenditure needs for its subsidiary in Argentina ("Argentina Credit Facility"). As of **June 30, 2023** **September 30, 2023**, we had \$1.9 million outstanding and availability of \$0.1 million under the Argentina Credit Agreement. Borrowings bear interest at a rate of 2.50% per annum. The Argentina Credit Facility expires on October 19, 2023 and is **was** backed by a letter of credit under our ABL Credit Agreement. Agreement, and expired and was repaid in October 2023.

[Swedish Credit Facility](#)

In January 2022, the Company entered into a revolving credit facility for seasonal working capital needs of subsidiaries in Sweden ("Swedish Credit Facility"). As of **June 30, 2023** **September 30, 2023**, we had **no balance** **a nominal amount** outstanding and availability of approximately \$4.6 million under the Swedish Credit Facility. During each year, all outstanding loans under the Swedish Credit Facility must be repaid for at least 30 consecutive days. Borrowings bear interest at a rate of 2.95% per annum. The Swedish Credit Facility expires on December 31, 2023 and the Company intends to renew it annually.

[Finland Credit Agreement](#)

In January 2022, the Company also entered into an agreement guaranteed by certain accounts receivable and inventory in Finland ("Finland Credit Agreement"). As of **June 30, 2023** **September 30, 2023**, there were **\$1.5** **\$1.4** million of letters of credit outstanding against the Finland Credit Agreement. The Finland Credit Agreement expires on January 31, 2024 and the Company intends to renew it annually.

[Covenants](#)

Our credit agreements contain certain affirmative and negative covenants, including covenants that restrict the ability to pay dividends or other restricted payments. As of **June 30, 2023** **September 30, 2023**, we are in compliance with all covenants under the credit agreements.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

[Litigation](#)

We are named defendants in several lawsuits and respondents in certain governmental proceedings arising in the ordinary course of business. While the outcome of lawsuits or other proceedings against us cannot be predicted with certainty, management does not consider it reasonably possible that a loss resulting from such lawsuits or other proceedings in excess of any amounts accrued has been incurred that is expected to have a material adverse impact on our financial condition, results of operations, or liquidity.

We have a Bromine Requirements Sales Agreement ("Sales Agreement") to purchase a certain volume of elemental bromine from LANXESS Corporation (formerly Chemtura Corporation) ("LANXESS"), included in Product Purchase Obligations below. LANXESS notified us of a proposed non-ordinary course increase to the price of bromine. After lengthy discussions, we and LANXESS were unable to reach an agreement regarding the validity of the proposed price increase; therefore, we filed for arbitration in May 2022 seeking declaratory relief, among other relief, declaring that the proposed price increase is invalid. In September 2022, LANXESS filed a counterclaim with the American Arbitration Association seeking declaratory relief, among other relief. On May 25, 2023, TETRA entered into the Third Amendment to Bromine Requirements Sales Agreement (the "Amendment") with LANXESS. The Amendment has an effective date of April 1, 2023 and was entered into in connection with the entry into a settlement agreement in the Company's arbitration with LANXESS. The Amendment provides for, among other things, revised volume requirements and related terms. On June 14, 2023, in light

of the settlement agreement, and in response to the parties' stipulated motion to dismiss, the arbitration panel issued an Order of Dismissal, which dismissed all claims in the arbitration with prejudice.

There have been no other material developments in our legal proceedings during the quarter ended **June 30, 2023** **September 30, 2023**. For additional discussion of our legal proceedings, please see our [2022 Annual Report](#) and [Quarterly Report on Form 10-Q for the quarter ended June 30, 2023](#).

Product Purchase Obligations

In the normal course of our Completion Fluids & Products Division operations, we enter into supply agreements with certain manufacturers of various raw materials and finished products. Some of these agreements have terms and conditions that specify a minimum or maximum level of purchases over the term of the agreement. Other agreements require us to purchase the entire output of the raw material or finished product produced by the manufacturer. Our purchase obligations under these agreements apply only with regard to raw materials and finished products that meet specifications set forth in the agreements. We recognize a liability for the purchase of such products at the time we receive them. As of **June 30, 2023** **September 30, 2023**, the aggregate amount of the fixed and determinable portion of the purchase obligation pursuant to our Completion Fluids & Products Division's supply agreements was approximately **\$63.6** **\$74.9** million, including **\$5.2** **\$4.0** million for the remainder of 2023, **\$21.4** **\$24.0** million in 2024, **\$19.3** **\$21.9** million in 2025, **\$13.0** **\$15.6** million in 2026, and **\$4.7** **\$7.1** million in **2027**, **2027**, and **\$2.3** million thereafter, extending through **2028**.

NOTE 8 – FAIR VALUE MEASUREMENTS

Financial Instruments

Investments

We retained an interest in CSI Compressco representing approximately 3.7% of CSI Compressco's outstanding common units as of **June 30, 2023** **September 30, 2023**. In December 2021, we invested in a \$5.0 million convertible note issued by CarbonFree. In addition, we receive cash and stock of Standard Lithium under the terms of our arrangements as noted in Note 5 - "Investments."

Our investments in CSI Compressco and Standard Lithium are recorded in investments on our consolidated balance sheets based on the quoted market stock price (Level 1 fair value measurements). The stock component of consideration received from Standard Lithium is initially recorded as unearned income based on the quoted market price at the time the stock is received, then recognized in income over the contract term. Changes in the value of stock are recorded in other (income) expense, net in our consolidated statements of operations.

Our investment in convertible notes issued by CarbonFree is recorded in our consolidated financial statements based on an internal valuation with assistance from a third-party valuation specialist (Level 3 fair value measurement). The valuation is impacted by key assumptions, including the assumed probability and timing of potential debt or equity offerings. The convertible note includes an option to convert the note into equity interests issued by CarbonFree. The change in the fair value of the embedded option is included in other (income) expense, net in our consolidated statements of operations. The change in the fair value of the convertible note, excluding the embedded option, is included in other comprehensive income (loss) in our consolidated statements of comprehensive income. The change in our investment in CarbonFree for the **six-month** **nine-month** period ended **June 30, 2023** **September 30, 2023** is as follows:

	Six Nine Months Ended June 30, 2023 September 30, 2023
(in thousands)	
Balance at beginning of period	\$ 6,139
Change in fair value of embedded option	(198) (50)
Change in fair value of convertible note, excluding embedded option	328,474
Balance at end of period	<u>\$ 6,269,6563</u>

Recurring fair value measurements by valuation hierarchy as of **June 30, 2023** **September 30, 2023** and December 31, 2022 are as follows:

Fair Value Measurements Using	Fair Value Measurements Using
-------------------------------	-------------------------------

Description	Description	Quoted Prices in Active Markets for Identical Assets or Liabilities						Quoted Prices in Active Markets for Identical Assets or Liabilities					
		Significant Other Observable Inputs			Significant Unobservable Inputs			Significant Other Observable Inputs			Significant Unobservable Inputs		
		Total as of June 30, 2023	(Level 1)	(Level 2)	(Level 3)	Total as of September 30, 2023	(Level 1)	(Level 2)	(Level 3)				
(in thousands)													
Investment in CSI Compresso	Investment in CSI Compresso	\$ 6,599	\$ 6,599	\$ —	\$ —	Investment in CSI Compresso	\$ 7,228	\$ 7,228	\$ —	\$ —			
Investment in CarbonFree	Investment in CarbonFree	6,269	—	—	6,269	Investment in CarbonFree	6,563	—	—	—	6,563		
Investment in Standard Lithium	Investment in Standard Lithium	3,600	3,600	—	—	Investment in Standard Lithium	2,264	2,264	—	—	—		
Other investment		250	—	—	250	Other investments	350	—	—	—	350		
Investments		\$ 16,718				Total investments	\$ 16,405						
Total investments													

Description	Total as of December 31, 2022	Fair Value Measurements Using					
		Quoted Prices in Active Markets for Identical Assets or Liabilities		Significant Other Observable Inputs		Significant Unobservable Inputs	
		(Level 1)	(Level 2)	(Level 2)	(Level 3)		
(in thousands)							
Investment in CSI Compresso	\$ 6,967	\$ 6,967	\$ —	\$ —	\$ —	\$ —	\$ —
Investment in CarbonFree	6,139	—	—	—	—	—	6,139
Investment in Standard Lithium	1,180	1,180	1,180	—	—	—	—
Investments	\$ 14,286						

Impairments

During the second quarter of 2023, we recorded a \$0.8 million impairment of our corporate office lease. The fair values were estimated based on the discounted cash flows from our lease and sublease agreements, including the rent rate per square foot (a Level 3 fair value measurement) in accordance with the fair value hierarchy.

Other

The fair values of cash, restricted cash, accounts receivable, accounts payable, accrued liabilities, short-term borrowings and long-term debt pursuant to our Term Credit Agreement, ABL Credit Agreement, Argentina Credit Agreement, and Swedish Credit Agreement approximate their carrying amounts. See Note 6 - "Long-Term Debt and Other Borrowings" for further discussion.

NOTE 9 – NET INCOME PER SHARE

The following is a reconciliation of the weighted average number of common shares outstanding with the number of shares used in the computations of net income per common and common equivalent share:

Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
2023	2022	2023	2022	2023	2022	2023	2022
(in thousands)							

Number of weighted average common shares outstanding	Number of weighted average common shares outstanding	129,460	127,992	129,201	127,627	Number of weighted average common shares outstanding	129,777	128,407	129,395	127,890
Assumed vesting of equity awards	Assumed vesting of equity awards	465	2,107	752	2,027	Assumed vesting of equity awards	2,312	—	1,440	1,814
Average diluted shares outstanding	Average diluted shares outstanding	129,925	130,099	129,953	129,654	Average diluted shares outstanding	132,089	128,407	130,835	129,704

The average diluted shares outstanding excludes the impact of certain outstanding equity awards of 1.5 million shares for the three-month period ended September 30, 2022 as the inclusion of these shares would have been anti-dilutive due to the net loss from continuing operations recorded during this period.

NOTE 10 – INDUSTRY SEGMENTS

We manage our operations through two segments: Completion Fluids & Products Division and Water & Flowback Services Division.

Summarized financial information concerning the business segments is as follows:

		Three Months Ended June 30,				Six Months Ended June 30,				Three Months Ended September 30,		Nine Months Ended September 30,		
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	(in thousands)	(in thousands)	
Revenues from external customers	Revenues from external customers									Revenues from external customers				
Product sales	Product sales									Product sales				
Completion Fluids & Products Division	Completion Fluids & Products Division	\$ 94,368	\$ 70,227	\$ 159,883	\$ 140,115					Completion Fluids & Products Division	\$ 68,532	\$ 55,354	\$ 228,415	\$ 195,469
Water & Flowback Services Division	Water & Flowback Services Division	1,849	74	1,869	241					Water & Flowback Services Division	435	140	2,304	381
Consolidated	Consolidated	\$ 96,217	\$ 70,301	\$ 161,752	\$ 140,356					Consolidated	\$ 68,967	\$ 55,494	\$ 230,719	\$ 195,850
Services	Services									Services				
Completion Fluids & Products Division	Completion Fluids & Products Division	\$ 3,854	\$ 4,571	\$ 7,381	\$ 7,877					Completion Fluids & Products Division	\$ 4,678	\$ 3,809	\$ 12,059	\$ 11,686
Water & Flowback Services Division	Water & Flowback Services Division	75,392	65,844	152,539	122,520					Water & Flowback Services Division	77,819	75,709	230,358	198,229
Consolidated	Consolidated	\$ 79,246	\$ 70,415	\$ 159,920	\$ 130,397					Consolidated	\$ 82,497	\$ 79,518	\$ 242,417	\$ 209,915
Total revenues	Total revenues									Total revenues				
Completion Fluids & Products Division	Completion Fluids & Products Division	\$ 98,222	\$ 74,798	\$ 167,264	\$ 147,992					Completion Fluids & Products Division	\$ 73,210	\$ 59,163	\$ 240,474	\$ 207,155
Water & Flowback Services Division	Water & Flowback Services Division	77,241	65,918	154,408	122,761					Water & Flowback Services Division	78,254	75,849	232,662	198,610
Consolidated	Consolidated	\$ 175,463	\$ 140,716	\$ 321,672	\$ 270,753					Consolidated	\$ 151,464	\$ 135,012	\$ 473,136	\$ 405,765
Income (loss) before taxes	Income (loss) before taxes									Income (loss) before taxes				
Income (loss) before taxes and discontinued operations	Income (loss) before taxes and discontinued operations									Income (loss) before taxes and discontinued operations				

Completion Fluids & Products Division	Completion Fluids & Products Division	\$ 31,956	\$ 15,261	\$ 50,398	\$ 34,553	Completion Fluids & Products Division	\$ 16,932	\$ 12,357	\$ 67,330	\$ 46,910
Water & Flowback Services Division	Water & Flowback Services Division	8,014	1,644	14,394	4,326	Water & Flowback Services Division	8,475	6,482	22,869	10,808
Interdivision Eliminations	Interdivision Eliminations	—	3	—	6	Interdivision Eliminations	—	3	—	9
Corporate Overhead ⁽¹⁾	Corporate Overhead ⁽¹⁾	(18,890)	(15,628)	(36,178)	(28,671)	Corporate Overhead ⁽¹⁾	(18,691)	(16,727)	(54,869)	(45,398)
Consolidated	Consolidated	\$ 21,080	\$ 1,280	\$ 28,614	\$ 10,214	Consolidated	\$ 6,716	\$ 2,115	\$ 35,330	\$ 12,329

⁽¹⁾ Amounts reflected include the following general corporate expenses:

	Three Months Ended				Six Months Ended			
	June 30,		June 30,		June 30,		June 30,	
	2023	2022	2023	2022	2023	2022	2023	2022
(in thousands)								
General and administrative expense	\$ 12,594	\$ 11,542	\$ 23,654	\$ 21,888				
Depreciation and amortization	92	172	202	363				
Impairments and other charges	777	—	777	—				
Interest expense	5,813	3,894	11,273	7,541				
Other general corporate (income) expense, net	(386)	20	272	(1,121)				
Total	\$ 18,890	\$ 15,628	\$ 36,178	\$ 28,671				
Three Months Ended								
September 30,				Nine Months Ended				
		2023	2022			2023	September 30,	
(in thousands)								
General and administrative expense	\$ 13,552	\$ 11,968	\$ 37,206	\$ 33,856				
Depreciation and amortization	101	165	303	528				
Impairments and other charges	—	—	777	—				
Interest expense	5,755	4,437	17,029	11,978				
Other general corporate (income) expense, net	(717)	157	(446)	(964)				
Total	\$ 18,691	\$ 16,727	\$ 54,869	\$ 45,398				

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and accompanying notes included in this Quarterly Report. In addition, the following discussion and analysis should also be read in conjunction with our [Annual Report on Form 10-K](#) for the year ended December 31, 2022 filed with the Securities and Exchange Commission ("SEC") on February 27, 2023 ("2022 Annual Report"). This discussion includes forward-looking statements that involve certain risks and uncertainties.

Business Overview

We are an energy services and solutions company operating on six continents, focused on calcium chloride, completion fluids and associated products and services, comprehensive water management solutions, frac flowback, and production well testing and offshore rig cooling, testing. Calcium chloride is used in the oil and gas industry, and also has broad industrial applications to the agricultural, road, food and beverage and lithium production markets. We are composed of two segments – Completion Fluids & Products Division and Water & Flowback Services Division.

Second-quarter consolidated Consolidated revenue for the first nine months of \$175.5 million reflects a 16.6% increase over the highest quarterly revenue prior year, reflecting growth in international markets and the Company's history, excluding discontinued operations. Gulf of Mexico, as well as a strong second quarter for our Northern Europe industrial chemicals business. Our strong second-quarter results for the first nine months of 2023 reflect our employees delivering operational and financial excellence in our core businesses while simultaneously advancing our key strategic initiatives. Third-quarter consolidated revenue of \$151.5 million reflects a 13.7% decrease following the strong Northern European industrial chemical business seasonal peak in the second quarter.

Completion Fluids & Products Division revenues for the first nine months of 2023 increased 42% 16.1% compared to 2022 as pricing and market share have continued to improve. Completion Fluids & Products Division revenues decreased 25% sequentially, resulting in following a new segment record high driven by growth in international markets and during the Gulf of Mexico, as well as second quarter, including the seasonal peak for our Northern Europe industrial chemicals business. Our strong offshore results have benefited from our recent investments declined compared to expand fluids capacity in the North Sea, Brazil and second quarter as projects were completed or shifted into the Gulf of Mexico, fourth quarter.

Our Water & Flowback Services revenues remained stable compared to the first second quarter of 2023 and improved slightly compared to the prior year, driven primarily by the first two early production facilities in Latin America that became operational in the third quarter of 2022 and the third early production facility which became operational in May 2023. The early production facilities are longer-term, high-margin projects with stable and predictable cash flows. Our growing fleet of TETRA SandStorm™ advanced cyclone technology separators also remains at high utilization with continued market penetration and positive pricing progression. Water & Flowback Services margins have continued to improve, reflecting ongoing automation and cost-reduction initiatives.

We are committed to pursuing low-carbon energy initiatives that leverage our fluids and aqueous chemistry core competencies, our significant bromine and lithium assets and technologies, and our leading calcium chloride production capabilities. In June 2023, we entered into a memorandum of understanding ("MOU") with Saltwerx LLC ("Saltwerx"), an indirect wholly owned subsidiary of a Fortune 500 company, relating to a newly-proposed brine unit in the Smackover Formation in Southwest Arkansas and potential bromine and lithium production from brine produced from the unit. The binding provisions of the MOU provide, among other things, that: (i) we will file We filed an amended brine unit application (the "Application") covering approximately 6,138 acres, which expands the size of the unit area and also combines brine acreage that was previously leased by each of TETRA and Saltwerx (the "Brine Unit"), with the Arkansas Oil & Gas Commission ("AOGC"). On September 26, 2023, the AOGC held a public hearing and (ii) Saltwerx will provide a letter unanimously approved our application to us in support establish the Brine Unit. We completed the evaluation of the Application. We are evaluating results from the second exploratory well on our acreage in Arkansas. We expect to receive the well results during Arkansas in the third quarter with the intent exceptional results. These results are being used to improve update the accuracy of our lithium and bromine resource estimates. report which we plan to complete and release in the fourth quarter. Additional steps are required before making a decision to develop the bromine assets and include further studies to analyze the resource as well as completion of a pre-feasibility and/or feasibility study.

Results of Operations

The following information should be read in conjunction with the Consolidated Financial Statements and the associated Notes contained elsewhere in this report. The analysis herein reflects the optional approach to discuss results of operations on a sequential-quarter basis, which we believe provides information that is most useful in assessing our quarterly results of operations.

Three months ended June 30, 2023 September 30, 2023 compared with three months ended March 31, 2023 June 30, 2023.

Consolidated Comparisons

	Three Months Ended			Period to Period Change	
			June 30, 2023	March 31, 2023	\$ Change
	(in thousands, except percentages)				
Revenues	\$	175,463	\$	146,209	\$ 29,254
Gross profit		49,155		36,323	\$ 12,832
Gross profit as a percentage of revenue		28.0 %		24.8 %	35.3 %
Exploration and pre-development costs		2,341		720	1,621
General and administrative expense		26,225		23,191	3,034
General and administrative expense as a percentage of revenue		14.9 %		15.9 %	13.1 %
Interest expense, net		5,944		5,092	852
Other income, net		(6,435)		(214)	6,221
Income before taxes and discontinued operations		21,080		7,534	\$ 13,546
Income before taxes and discontinued operations as a percentage of revenue		12.0 %		5.2 %	179.8 %
Provision for income taxes		2,875		1,489	1,386
Income before discontinued operations		18,205		6,045	12,160
Discontinued operations:					
Loss from discontinued operations, net of taxes		(8)		(12)	(4)
Net income		18,197		6,033	12,164
Loss attributable to noncontrolling interests		18		7	11
Net income attributable to TETRA stockholders	\$	18,215	\$	6,040	\$ 12,175
		201.6 %		201.6 %	

(i) Percent change is not meaningful

	Three Months Ended		Period to Period Change	
	September 30, 2023	June 30, 2023	\$ Change	% Change
	(in thousands, except percentages)			
Revenues	\$ 151,464	\$ 175,463	\$ (23,999)	(13.7)%
Gross profit	\$ 37,924	\$ 49,155	\$ (11,231)	(22.8)%
Gross profit as a percentage of revenue	25.0 %	28.0 %		
Exploration and pre-development costs	3,775	2,341	1,434	61.3 %
General and administrative expense	23,838	26,225	(2,387)	(9.1)%
General and administrative expense as a percentage of revenue	15.7 %	14.9 %		
Interest expense, net	5,636	5,944	(308)	(5.2)%
Other income, net	(2,041)	(6,435)	(4,394)	(68.3)%
Income before taxes and discontinued operations	6,716	21,080	(14,364)	(68.1)%
Income before taxes and discontinued operations as a percentage of revenue	4.4 %	12.0 %		
Provision for income taxes	1,248	2,875	(1,627)	(56.6)%
Income before discontinued operations	5,468	18,205	(12,737)	(70.0)%
Discontinued operations:				
Loss from discontinued operations, net of taxes	(48)	(8)	40	500.0 %
Net income	5,420	18,197	(12,777)	(70.2)%
Loss attributable to noncontrolling interests	—	18	(18)	100.0 %
Net income attributable to TETRA stockholders	\$ 5,420	\$ 18,215	\$ (12,795)	(70.2)%

Consolidated revenues increased decreased between the current and previous quarters primarily due to an increase a decrease in overall activity for the Completion Fluids & Products division lead by increased pricing and sales volume sales in from the strong Northern European industrial chemicals market. Chemical seasonality impact each year on our results in the second quarter. See Divisional Comparisons section below for a more detailed discussion of the change in our revenues.

Consolidated gross profit as a percentage of revenue increased decreased primarily due to our Completion Fluids & Products division benefiting from increased lower overall activity levels and margins. See Divisional Comparisons section below for additional discussion.

Consolidated exploration and pre-development costs increased primarily due to drilling costs associated with our the lithium front-end engineering and design study and appraisal costs for the second exploratory brine well in Arkansas.

Consolidated general and administrative expenses increased decreased compared to the prior year, quarter, primarily due to a \$2.7 million increase \$1.3 million decrease in wage and benefit-related expenses driven by divisional headcount additions as operational activity levels increased, as well as higher short and long-term incentive expense. General and administrative expenses also increased \$0.8 million due to a higher provision for credit losses partially offset by a \$0.6 provision established in the second quarter was reversed in the third quarter following improved collections, a \$0.4 million decrease in general expenses and a \$0.3 million decrease in legal expenses.

Consolidated other income, net, increased decreased in the current quarter, compared to the prior quarter primarily due to the \$4.7 million cumulative credit \$2.8 million decrease in credits for exploration and pre-development costs reimbursable from Saltwerx following the cumulative credit in the second quarter, and a \$0.7 \$2.0 million increase in unrealized losses from our

Standard Lithium shares received in April 2022 and 2023, partially offset by a \$0.5 million increase in unrealized gain due to the change in the unit price of the CSI Compressco common units we own, a \$0.3 million increase in unrealized gain from our Standard Lithium shares received in April 2022 and 2023

and a \$0.4 million increase in unrealized gain from the change in fair value of the CarbonFree convertible note embedded option, own.

Consolidated provision for income tax was \$2.9 \$1.2 million during the current quarter, compared to a \$1.5 \$2.9 million provision during the prior quarter. Our consolidated effective tax rate for the three months ended June 30, 2023 September 30, 2023 was 13.6% 18.6% due to income generated during the quarter, partially offset by the utilization of net operating loss carryforwards in the United States and certain other non-U.S. jurisdictions for which a valuation allowance had been established. We establish a valuation allowance to reduce the deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized. Included in our deferred tax assets are net operating loss carryforwards and tax credits that are available to offset future income tax liabilities in the United States and certain other non-U.S. jurisdictions.

Divisional Comparisons

Completion Fluids & Products Division

		Three Months Ended		Period to Period Change			Three Months Ended		Period to Period Change	
		June 30, 2023	March 31, 2023	\$ Change	% Change		September 30, 2023	June 30, 2023	\$ Change	% Change
		(in thousands, except percentages)								
Revenues	Revenues	\$ 98,222	\$ 69,042	\$ 29,180	42.3 %	Revenues	\$ 73,210	\$ 98,222	\$ (25,012)	(25.5) %
Gross profit	Gross profit	37,133	25,010	12,123	48.5 %	Gross profit	25,327	37,133	(11,806)	(31.8) %
Gross profit as a percentage of revenue	Gross profit as a percentage of revenue	37.8 %	36.2 %			Gross profit as a percentage of revenue	34.6 %	37.8 %		
Exploration and pre-development costs	Exploration and pre-development costs	2,341	720	1,621	225.1 %	Exploration and pre-development costs	3,775	2,341	1,434	61.3 %
General and administrative expense	General and administrative expense	8,551	7,173	1,378	19.2 %	General and administrative expense	5,829	8,551	(2,722)	(31.8) %
General and administrative expense as a percentage of revenue	General and administrative expense as a percentage of revenue	8.7 %	10.4 %			General and administrative expense as a percentage of revenue	8.0 %	8.7 %		
Interest expense (income), net		104	(395)	499	126.3 %	Interest (income) expense, net	(309)	104	(413)	397.1 %
Interest (income) expense, net						Interest (income) expense, net	(900)	(5,819)	(4,919)	(84.5) %
Other income, net	Other income, net	(5,819)	(930)	4,889	525.7 %	Other income, net				
Income before taxes and discontinued operations	Income before taxes and discontinued operations	\$ 31,956	\$ 18,442	\$ 13,514	73.3 %	Income before taxes and discontinued operations	\$ 16,932	\$ 31,956	\$ (15,024)	(47.0) %
Income before taxes and discontinued operations as a percentage of revenue	Income before taxes and discontinued operations as a percentage of revenue	32.5 %	26.7 %			Income before taxes and discontinued operations as a percentage of revenue	23.1 %	32.5 %		

Revenues for our Completion Fluids & Products Division increased decreased primarily due to increased pricing and decreased volumes for industrial chemical sales including higher sales volume from following the seasonal uplift in Northern Europe in the prior quarter, as well as an increase timing of customer completion schedules, which resulted in some planned offshore activity levels, pushing from the third to the fourth quarter.

Gross profit for our Completion Fluids & Products Division increased decreased compared to the prior quarter period primarily due to the pricing and sales volume impact decline in revenues mentioned above. Our industrial calcium chloride business reflects the seasonal peak in Europe, high production volumes, and supply chain benefits that yielded higher margins. Our profitability in future periods will continue to be affected by the mix of our products and services, market demand for our products and services, and drilling and completions activity, supply chain challenges and inflationary pressures, activity.

Completion Fluids & Products Division exploration and pre-development costs associated with our potential Southwest Arkansas bromine development project increased \$1.6 million \$1.4 million due to a second exploratory well drilled during costs associated with the current quarter, as well as ongoing lithium front-end engineering and design work, study and well appraisal costs. General and administrative expense for the division increased \$1.4 decreased \$2.7 million, to support higher activity levels. Interest expense (income), net increased \$0.5 million primarily due to lower interest income on deposit accounts a \$1.3 million decrease in Brazil provision for credit losses as a provision established in the second quarter was reversed in the third quarter following improved collections, and Europe, a \$1.3 million decrease in short-term incentive compensation expense. Other income, net increased decreased primarily due to the \$4.7 \$2.8 million cumulative credit decrease in credits for exploration and pre-development costs from Saltwerx a \$0.4 million unrealized gain from following the change cumulative credit in fair value of the CarbonFree convertible note embedded option second quarter, and a \$0.3 \$2.0 million increase in unrealized gain losses from our investment in Standard Lithium shares partially offset by due to a \$0.5 million increase decline in foreign exchange losses.

the share price.

Water & Flowback Services Division

		Three Months Ended		Period to Period Change			Three Months Ended		Period to Period Change	
		June 30, 2023	March 31, 2023	\$ Change	% Change		September 30, 2023	June 30, 2023	\$ Change	% Change
		(in thousands, except percentages)								
Revenues	Revenues	\$ 77,241	\$ 77,167	\$ 74	0.1 %	Revenues	\$ 78,254	\$ 77,241	\$ 1,013	1.3 %
Gross profit	Gross profit	12,893	11,422	1,471	12.9 %	Gross profit	12,697	12,893	(196)	(1.5) %
Gross profit as a percentage of revenue	Gross profit as a percentage of revenue	16.7 %	14.8 %			Gross profit as a percentage of revenue	16.2 %	16.7 %		
General and administrative expense	General and administrative expense	5,080	4,959	121	2.4 %	General and administrative expense	4,457	5,080	(623)	(12.3) %
General and administrative expense as a percentage of revenue	General and administrative expense as a percentage of revenue	6.6 %	6.4 %			General and administrative expense as a percentage of revenue	5.7 %	6.6 %		
Interest expense, net	Interest expense, net	27	27	—	— %	Interest expense, net	190	27	163	603.7 %
Other (income) expense, net	Other (income) expense, net	(228)	58	286	493.1 %	Other (income) expense, net	(425)	(228)	197	(86.4) %
Income before taxes and discontinued operations	Income before taxes and discontinued operations	\$ 8,014	\$ 6,378	\$ 1,636	25.7 %	Income before taxes and discontinued operations	\$ 8,475	\$ 8,014	\$ 461	5.8 %
Income before taxes and discontinued operations as a percentage of revenue	Income before taxes and discontinued operations as a percentage of revenue	10.4 %	8.3 %			Income before taxes and discontinued operations as a percentage of revenue	10.8 %	10.4 %		

Revenues for our Water & Flowback Services Division in the current quarter remained comparable increased due to the prior quarter as continued higher revenues from our early production facilities in Latin America were offset by lower customer activity following completion of the third facility in May 2023. The North America onshore business revenue was relatively flat compared to the prior quarter.

Gross profit for our Water & Flowback Services Division increased compared remained comparable to the prior quarter due to a revenue shift toward higher margin service offerings, including the early production facilities in Latin America previous quarter. Gross profit as a percentage of revenue increased also remained comparable reflecting the continued ongoing margin expansion efforts driven by investments in technology, integration, digitalization and the benefit of our early production facilities in Argentina. While we have seen some signs of softness in certain land segments in the United States, pricing has remained relatively stable for our differentiated products and service offerings.

The Water & Flowback Services Division income before taxes and discontinued operations increased primarily due to an improvement a \$0.6 million decrease in the gross profit described above, as well as general and administrative expense primarily due to cost reduction initiatives, partially offset by a \$0.3 million \$0.2 million increase in foreign exchange gains. interest expense due to borrowings under the Argentina Credit Agreement.

Corporate Overhead

		Three Months Ended		Period to Period Change			Three Months Ended		Period to Period Change	
		June 30, 2023	March 31, 2023	\$ Change	% Change		September 30, 2023	June 30, 2023	\$ Change	% Change
		(in thousands, except percentages)								
Depreciation and amortization	Depreciation and amortization	\$ 93	\$ 109	\$ (16)	(14.7) %	Depreciation and amortization	\$ 101	\$ 93	\$ 8	8.6 %
Impairments and other charges	Impairments and other charges	777	—	777	100.0 %	Impairments and other charges	—	777	(777)	(100.0) %

General and administrative expense	General and administrative expense	12,595	11,059	1,536	13.9	% expense	13,552	12,595	957	7.6	%
Interest expense, net	Interest expense, net	5,813	5,460	353	6.5	% expense, net	5,755	5,813	(58)	(1.0)	%
Other (income) expense, net	Other (income) expense, net	(388)	658	1,046	159.0	%					
Other income, net	Other income, net					Other income, net	(717)	(388)	329	84.8	%
Loss before taxes and discontinued operations	Loss before taxes and discontinued operations	\$ (18,890)	\$ (17,286)	\$ (1,604)	9.3	% operations	\$ (18,691)	\$ (18,890)	\$ 199	(1.1)	%

Corporate overhead loss before taxes and discontinued operations increased remained comparable to the prior quarter as the \$1.0 million increase in general and administrative expense primarily due to a \$1.6 million increase in wages and benefits related expenses driven by higher short and long-term incentive expenses was substantially offset by the \$0.8 million impairment associated with our corporate office lease and a \$0.4 million increase in interest expense due to an increase in the interest rate on our Term Credit Agreement. These expenses are partially offset by an increase in other (income) expense, net primarily due to a \$0.7 million increase in unrealized gains related to unit price changes of our investment in CSI Compressco, and a \$0.3 million increase in foreign exchange gains prior quarter.

Six Nine months ended June 30, 2023 September 30, 2023 compared with six nine months ended June 30, 2022 September 30, 2022.

Consolidated Comparisons

		Six Months Ended					Nine Months Ended				
		June 30,		Period to Period Change			September 30,		Period to Period Change		
		2023	2022	\$ Change	% Change		2023	2022	\$ Change	% Change	
(in thousands, except percentages)											
Revenues	Revenues	\$ 321,672	\$ 270,753	\$ 50,919	18.8	% Revenues	\$ 473,136	\$ 405,765	\$ 67,371	16.6	%
Gross profit	Gross profit	85,478	60,527	24,951	41.2	% Gross profit	123,402	90,000	33,402	37.1	%
Gross profit as a percentage of revenue	Gross profit as a percentage of revenue	26.6 %	22.4 %			Gross profit as a percentage of revenue	26.1 %	22.2 %			
Exploration and pre-development costs	Exploration and pre-development costs	3,061	2,564	497	19.4	% costs	6,836	3,500	3,336	95.3	%
General and administrative expense	General and administrative expense	49,416	44,263	5,153	11.6	% expense	73,254	68,096	5,158	7.6	%
General and administrative expense as a percentage of revenue	General and administrative expense as a percentage of revenue	15.4 %	16.3 %			General and administrative expense as a percentage of revenue	15.5 %	16.8 %			
Interest expense, net	Interest expense, net	11,036	6,934	4,102	59.2	% net	16,672	10,933	5,739	52.5	%
Other income, net	Other income, net	(6,649)	(3,448)	3,201	92.8	% Other income, net	(8,690)	(4,858)	3,832	78.9	%
Income before taxes and discontinued operations	Income before taxes and discontinued operations	28,614	10,214	18,400	180.1	% operations	35,330	12,329	23,001	186.6	%
Income before taxes and discontinued operations as a percentage of revenue	Income before taxes and discontinued operations as a percentage of revenue	8.9 %	3.8 %			Income before taxes and discontinued operations as a percentage of revenue	7.5 %	3.0 %			

Provision for income taxes	Provision for income taxes	4,364	721	3,643	505.3	Provision for % income taxes	5,612	2,899	2,713	93.6	%
Income before discontinued operations	Income before discontinued operations	24,250	9,493	14,757	155.5	Income before discontinued operations	29,718	9,430	20,288	215.1	%
Discontinued operations:	Discontinued operations:					Discontinued operations:					
Loss from discontinued operations, net of taxes		(20)	(49)	(29)	(59.2)	%					
(Income) loss from discontinued operations, net of taxes						(Income) loss from discontinued operations, net of taxes	(68)	270	338		NM(1)
Net income	Net income	24,230	9,444	14,786	156.6	Net income	29,650	9,700	19,950	205.7	%
Loss attributable to noncontrolling interests	Loss attributable to noncontrolling interests	25	21	4	19.0	Loss attributable to noncontrolling interests	25	43	(18)	(41.9)	%
Net income attributable to TETRA stockholders	Net income attributable to TETRA stockholders	\$ 24,255	\$ 9,465	\$ 14,790	156.3	% stockholders	\$ 29,675	\$ 9,743	\$ 19,932	204.6	%

(1) Percent change is not meaningful

Consolidated revenues increased in the current year primarily due to improving industry conditions compared to the prior year for both our Completion Fluids & Products and Water & Flowback Services divisions, as well as the first two early production facilities in Argentina that commenced operations in the third quarter of 2022 and a third early production facility that became operational in the second quarter of 2023. See Divisional Comparisons section below for a more detailed discussion of the change in our revenues.

Consolidated gross profit increased in the current year primarily due to the increase in revenue, partially offset by an increase in costs associated with the higher Water & Flowback Services division activity levels described above. Profit margins for both divisions also improved due to stronger market conditions, and a shift to higher-margin projects, projects as well as price improvements and cost reduction initiatives.

Consolidated exploration and pre-development costs increased \$0.5 \$3.3 million compared to the prior year primarily due to costs associated with the lithium front-end engineering and design study and drilling and appraisal costs associated with our second exploratory brine well in Arkansas Arkansas.

Consolidated general and administrative expenses increased compared to the prior year, primarily due to \$4.6 million \$5.4 million of increased wage and benefit-related expenses driven by divisional headcount additions as and higher operational activity levels, increased, as well as higher short and long-term incentive expense. General and administrative expenses also increased \$0.5 million due to a higher provision for credit loss allowances expense, including the impact of the increase in our stock price on trade accounts receivable, long-term incentive awards.

Consolidated interest expense, net, increased in the current year primarily due to an increase in the interest rate on our Term Credit Agreement and higher increased interest on borrowings under our ABL Credit Agreement and Argentina Credit Agreement.

Consolidated other income, net, increased in the current year, compared to the prior year primarily due to a \$4.7 million cumulative credit \$6.7 million credits for exploration and pre-development costs reimbursable from Saltwerx under the MOU entered in in June 2023, offset by a \$1.9 million increase \$3.0 million decrease in foreign exchange losses, gains.

Consolidated provision for income taxes was \$4.4 \$5.6 million during the current year, compared to \$0.7 \$2.9 million during the prior year. Our consolidated effective tax rate for the current year was 15.3% 15.9%, compared to 7.1% 23.5% during the prior year. The increase in our tax provision and effective tax rate compared to the prior year was primarily due to increased the increase in income, generated while our effective tax rate decreased because a significant portion of the increase in certain non-U.S. income was in jurisdictions for which we were able to utilize net operating loss carryforward is not available losses for offset, which we had established valuation allowances. We establish a valuation allowance to reduce the deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized. Included in our deferred tax assets are net operating loss carryforwards and tax credits that are available to offset future income tax liabilities in the United States as well as in certain non-U.S. jurisdictions.

Divisional Comparisons

Completion Fluids & Products Division

	Six Months Ended				Nine Months Ended			
	June 30,		Period to Period Change		September 30,		Period to Period Change	
	2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change

		(in thousands, except percentages)						(in thousands, except percentages)					
Revenues	Revenues	\$ 167,264	\$ 147,992	\$ 19,272	13.0 %	Revenues	\$ 240,474	\$ 207,155	\$ 33,319	16.1 %			
Gross profit	Gross profit	62,142	48,209	13,933	28.9 %	Gross profit	87,469	66,726	20,743	31.1 %			
Gross profit as a percentage of revenue	Gross profit as a percentage of revenue	37.2 %	32.6 %			Gross profit as a percentage of revenue	36.4 %	32.2 %					
Exploration and pre-development costs	Exploration and pre-development costs	3,061	2,564	497	19.4 %	Exploration and pre-development costs	6,836	3,500	3,336	95.3 %			
General and administrative expense	General and administrative expense	15,723	12,243	3,480	28.4 %	General and administrative expense	21,553	18,517	3,036	16.4 %			
General and administrative expense as a percentage of revenue	General and administrative expense as a percentage of revenue	9.4 %	8.3 %			General and administrative expense as a percentage of revenue	9.0 %	8.9 %					
Interest income, net	Interest income, net	(291)	(606)	(315)	(52.0) %	Interest income, net	(600)	(1,042)	(442)	(42.4) %			
Other income, net	Other income, net	(6,749)	(545)	6,204	NM ⁽¹⁾	Other income, net	(7,650)	(1,159)	6,491	NM ⁽¹⁾			
Income before taxes and discontinued operations	Income before taxes and discontinued operations	\$ 50,398	\$ 34,553	\$ 15,845	45.9 %	Income before taxes and discontinued operations	\$ 67,330	\$ 46,910	\$ 20,420	43.5 %			
Income before taxes and discontinued operations as a percentage of revenue	Income before taxes and discontinued operations as a percentage of revenue	30.1 %	23.3 %			Income before taxes and discontinued operations as a percentage of revenue	28.0 %	22.6 %					

⁽¹⁾ Percent change is not meaningful

Revenues for our Completion Fluids & Products Division increased compared to the prior year primarily due to higher European industrial chemical sales volumes, as well as favorable pricing and customer mix. The division also benefited from recent capacity expansions following investments in Brazil, the Gulf of Mexico and the United Kingdom.

Gross profit for our Completion Fluids & Products Division increased compared to the prior year due to an increase in revenues. Gross profit as a percentage of revenue for our Completion Fluids & Products division increased primarily due to favorable pricing improvements. Our profitability in future periods will continue to be affected by the mix of our products and services, market demand for our products and services, and drilling and completions activity, supply chain challenges and inflationary pressures.

Income before taxes and discontinued operations for our Completion Fluids & Products Division increased compared to the prior year driven by higher gross profit, and the \$4.7 million cumulative credit of credits for exploration and pre-development costs reimbursable from Saltwerx as well as a \$0.4 million decrease in unrealized losses from our investment in Standard Lithium shares, both included in other income, net. These increases were partially offset by a \$3.5 million increase in costs associated with the exploratory brine project compared to the prior year; a \$3.0 million increase in general and administrative costs due to higher compensation and short-term incentive expense due to increased activity levels; increased provision for credit loss allowances on trade accounts receivable and higher research and development expenses, as well as a \$0.5 million increase in costs associated with unrealized gains from the exploratory brine project compared to change in fair value of the prior period. CarbonFree convertible note embedded option.

Water & Flowback Services Division

		Six Months Ended						Nine Months Ended						
		June 30,		Period to Period Change				September 30,		Period to Period Change				
		2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change	(in thousands, except percentages)				
(in thousands, except percentages)														
Revenues	Revenues	\$ 154,408	\$ 122,761	\$ 31,647	25.8 %	Revenues	\$ 232,662	\$ 198,610	\$ 34,052	17.1 %				
Gross profit	Gross profit	24,315	12,676	11,639	91.8 %	Gross profit	37,012	23,793	13,219	55.6 %				
Gross profit as a percentage of revenue	Gross profit as a percentage of revenue	15.7 %	10.3 %			Gross profit as a percentage of revenue	15.9 %	12.0 %						

General and administrative expense	General and administrative expense	10,039	10,132	(93)	(0.9) %	General and administrative expense	14,496	15,724	(1,228)	(7.8) %
General and administrative expense as a percentage of revenue	General and administrative expense as a percentage of revenue	6.5 %	8.3 %			General and administrative expense as a percentage of revenue	6.2 %	7.9 %		
Interest expense (income), net		54	(1)	55	NM ⁽¹⁾	Interest (income) expense, net	243	(3)	246	NM ⁽¹⁾
Other income, net	Other income, net	(172)	(1,781)	(1,609)	(90.3) %	Other income, net	(596)	(2,736)	(2,140)	(78.2) %
Income before taxes and discontinued operations	Income before taxes and discontinued operations	\$ 14,394	\$ 4,326	\$ 10,068	232.7 %	Income before taxes and discontinued operations	\$ 22,869	\$ 10,808	\$ 12,061	111.6 %
Income before taxes and discontinued operations as a percentage of revenue	Income before taxes and discontinued operations as a percentage of revenue	9.3 %	3.5 %			Income before taxes and discontinued operations as a percentage of revenue	9.8 %	5.4 %		

⁽¹⁾ Percent change is not meaningful

Revenues for our Water & Flowback Services Division increased significantly for both water management and production testing due to overall higher customer drilling and completion activity. Customer activity levels have continued to improve, primarily in our North America land business. Revenues have also increased in Latin America due to two early production facilities that began operations in the third quarter of 2022 and a third early production facility that came on line became operational in the second quarter of 2023.

Gross profit for our Water & Flowback Services Division improved substantially from the prior year primarily due to higher revenues resulting from the increased activity levels described above and pricing improvements, and a shift to higher margin projects as activity levels improved and well as continuous efforts to increase margins through streamlining operations and automation.

Income before taxes and discontinued operations for our Water & Flowback Services Division increased in the current year primarily due to an improvement in the gross profit described above and a \$1.2 million decrease in general and administrative expense from cost reduction initiatives, partially offset by a \$0.9 \$1.6 million decrease in foreign exchange gains and a \$0.5 million \$0.7 million decrease in gains on asset sales.

Corporate Overhead

		Six Months Ended				Nine Months Ended			
		June 30,		Period to Period Change		September 30,		Period to Period Change	
		2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change
(in thousands, except percentages)									
Depreciation and amortization	Depreciation and amortization	\$ 202	\$ 363	\$ (161)	(44.4) %	Depreciation and amortization	\$ 303	\$ 528	\$ (225) (42.6) %
Impairments and other charges	Impairments and other charges	777	—	777	100.0 %	Impairments and other charges	777	—	777 100.0 %
General and administrative expense	General and administrative expense	23,654	21,888	1,766	8.1 %	General and administrative expense	37,206	33,856	3,350 9.9 %
Interest expense, net	Interest expense, net	11,273	7,541	3,732	49.5 %	Interest expense, net	17,029	11,978	5,051 42.2 %
Other (income) expense, net	Other (income) expense, net	272	(1,121)	1,393	124.3 %	Other income, net	(446)	(964)	518 53.7 %
Loss before taxes and discontinued operations	Loss before taxes and discontinued operations	\$ (36,178)	\$ (28,671)	\$ (7,507)	26.2 %	Loss before taxes and discontinued operations	\$ (54,869)	\$ (45,398)	\$ (9,471) 20.9 %

Corporate overhead loss before taxes and discontinued operations increased due to a \$1.8 million increase in general and administrative expense, and a \$3.7 million \$5.1 million increase in interest expense, net due to an increase in the interest rate on our Term Credit Agreement and higher borrowings under our ABL Credit Agreement, and a \$3.4 million increase in general and administrative expense as well as a \$1.4 million \$0.5 million decrease in other (income) expense, net and a \$0.8 million impairment of our corporate office lease. Corporate general and administrative expenses increased compared to the prior year, primarily due to increased wage and benefit-related expenses driven by to support higher short activity levels and long-term incentive expenses. higher equity-based compensation expense, including the impact of the increase in our stock price. Other (income) expense, net decreased primarily

due to a \$1.0 \$1.4 million decrease in foreign exchange gains, partially offset by a \$0.4 million increase in unrealized gains related to unit price changes of our investment in CSI Compressco, and a \$1.0 million decrease in foreign exchange gains, partially offset by a \$0.6 million increase in income from investments.

Compressco.

Non-GAAP Financial Measures

We use U.S. GAAP financial measures such as revenues, gross profit, income (loss) before taxes and discontinued operations, and net cash provided by operating activities, as well as certain non-GAAP financial measures, including Adjusted EBITDA, as performance measures for our business.

Adjusted EBITDA. We define Adjusted EBITDA as net income (loss) before taxes and discontinued operations, excluding impairments, exploration and pre-development costs, certain special, non-recurring or other charges (or credits), interest, depreciation and amortization, income from collaborative arrangement and certain non-cash items such as equity-based compensation expense. The most directly comparable GAAP financial measure is net income (loss) before taxes and discontinued operations. Exploration and pre-development costs represent expenditures incurred to evaluate potential future development of TETRA's lithium and bromine properties in Arkansas. Such costs include exploratory drilling and associated engineering studies. Income from collaborative arrangement represents the portion of exploration and pre-development costs that are reimbursable by our strategic partner. Exploration and pre-development costs and the associated income from collaborative arrangement are excluded from Adjusted EBITDA because they do not relate to the Company's current business operations. Adjustments to long-term incentives represent cumulative adjustments to valuation of long-term cash incentive compensation awards that are related to prior years. These costs are excluded from Adjusted EBITDA because they do not relate to the current year and are considered to be outside of normal operations. Long-term incentives are earned over a three-year period and the costs are recorded over the three-year period they are earned. The amounts accrued or incurred are based on a cumulative of the three-year period. Equity-based compensation expense represents compensation that has been or will be paid in equity and is excluded from Adjusted EBITDA because it is a non-cash item.

Adjusted EBITDA is used by management as a supplemental financial measure to assess financial performance, without regard to charges or credits that are considered by management to be outside of its normal operations and without regard to financing methods, capital structure or historical cost basis, and to assess the Company's ability to incur and service debt and fund capital expenditures.

The following tables reconcile net income (loss) before taxes and discontinued operations to Adjusted EBITDA for the periods indicated:

		Three Months Ended June 30, 2023					Three Months Ended September 30, 2023					
		Completion Fluids & Products	Water & Flowback Services	Corporate SG&A	Other and Eliminations	Total	Completion Fluids & Products	Water & Flowback Services	Corporate SG&A	Other and Eliminations	Total	
(in thousands, except percentages)												
Revenue	Revenue	\$ 98,222	\$ 77,241	\$ —	\$ —	\$ 175,463	Revenue	\$ 73,210	\$ 78,254	\$ —	\$ — \$ 151,464	
Net income (loss) before taxes and discontinued operations	Net income (loss) before taxes and discontinued operations	31,956	8,014	(12,595)	(6,295)	21,080	Net income (loss) before taxes and discontinued operations	16,932	8,475	(13,552)	(5,139)	6,716
Insurance recoveries	Insurance recoveries	(5)	—	—	—	(5)	Insurance recoveries	174	—	—	—	174
Impairments and other charges		—	—	777	—	777						
Exploration and pre- development costs	Exploration and pre- development costs	2,341	—	—	—	2,341	Exploration and pre- development costs	3,775	—	—	—	3,775

Adjustment to long-term incentives	Adjustment to long-term incentives	—	—	322	—	322	Adjustment to long-term incentives	—	—	500	—	500
Former CEO stock appreciation right expense	Former CEO stock appreciation right expense	—	—	329	—	329	Former CEO stock appreciation right expense	—	—	1,074	—	1,074
Transactions and other expenses	Transactions and other expenses	—	—	57	—	57	Transactions and other expenses	—	—	108	—	108
Income from collaborative arrangement	Income from collaborative arrangement	(4,749)	—	—	—	(4,749)	Income from collaborative arrangement	(1,933)	—	—	—	(1,933)
Interest (income) expense, net	Interest (income) expense, net	104	27	—	5,813	5,944	Interest (income) expense, net	(309)	190	—	5,755	5,636
Depreciation, amortization and accretion	Depreciation, amortization and accretion	2,193	6,172	—	93	8,458	Depreciation, amortization and accretion	2,301	6,176	—	101	8,578
Equity-based compensation expense	Equity-based compensation expense	—	—	1,492	—	1,492	Equity-based compensation expense	—	—	1,431	—	1,431
Adjusted EBITDA	Adjusted EBITDA	\$ 31,840	\$ 14,213	\$ (9,618)	\$ (389)	\$ 36,046	Adjusted EBITDA	\$ 20,940	\$ 14,841	\$ (10,439)	\$ 717	\$ 26,059
Adjusted EBITDA as % of revenue	Adjusted EBITDA as % of revenue	32.4 %	18.4 %	—	20.5 %	revenue	28.6 %	19.0 %	—	—	—	17.2 %
Three Months Ended							Three Months Ended					
March 31, 2023							June 30, 2023					
Completion Water & Fluids & Flowback Corporate Other and Products Services SG&A Eliminations Total							Completion Water & Fluids & Flowback Corporate Other and Products Services SG&A Eliminations Total					
(in thousands, except percentages)												
Revenue	Revenue	\$ 69,042	\$ 77,167	\$ —	\$ —	\$ 146,209	Revenue	\$ 98,222	\$ 77,241	\$ —	\$ —	\$ 175,463
Net income (loss) before taxes and discontinued operations	Net income (loss) before taxes and discontinued operations	18,442	6,378	(11,059)	(6,227)	7,534	Net income (loss) before taxes and discontinued operations	31,956	8,014	(12,595)	(6,295)	21,080
Insurance recoveries	Insurance recoveries	(2,850)	—	—	—	(2,850)	Insurance recoveries	(5)	—	—	—	(5)
Impairments and other charges	Impairments and other charges	—	—	—	—	777	Impairments and other charges	—	—	777	—	777
Exploration and pre-development costs	Exploration and pre-development costs	720	—	—	—	720	Exploration and pre-development costs	2,341	—	—	—	2,341
Adjustment to long-term incentives	Adjustment to long-term incentives	—	—	353	—	353	Adjustment to long-term incentives	—	—	322	—	322
Interest (income) expense, net	Interest (income) expense, net	(395)	27	—	5,460	5,092	Former CEO stock appreciation right expense	—	—	329	—	329

Transaction and other expenses							Transaction and other expenses	—	—	57	—	57
Income from collaborative arrangement							Income from collaborative arrangement	(4,749)	—	—	—	(4,749)
Interest expense, net							Interest expense, net	104	27	—	5,813	5,944
Depreciation, amortization and accretion	Depreciation, amortization and accretion	2,052	6,509	—	109	8,670	Depreciation, amortization and accretion	2,193	6,172	—	93	8,458
Equity-based compensation expense	Equity-based compensation expense	17	—	1,276	—	1,293	Equity-based compensation expense	—	—	1,492	—	1,492
Transaction, restructuring and other expenses		—	—	82	—	82						
Former CEO stock appreciation right expense		—	—	(307)	—	(307)						
Adjusted EBITDA	Adjusted EBITDA	\$ 17,986	\$ 12,914	\$ (9,655)	\$ (658)	\$ 20,587	Adjusted EBITDA	\$ 31,840	\$ 14,213	\$ (9,618)	\$ (389)	\$ 36,046
Adjusted EBITDA as % of revenue	Adjusted EBITDA as % of revenue	26.1 %	16.7 %		14.1 %	revenue	Adjusted EBITDA as % of revenue	32.4 %	18.4 %		20.5 %	

Adjusted EBITDA is a financial measure that is not in accordance with U.S. GAAP and should not be considered an alternative to net income, operating income, cash provided by operating activities, or any other measure of financial performance presented in accordance with U.S. GAAP. This measure may not be comparable to similarly titled financial metrics of other companies, as other companies may not calculate Adjusted EBITDA in the same manner as we do. Management compensates for the limitations of Adjusted EBITDA as an analytical tool by reviewing the comparable U.S. GAAP measures, understanding the differences between the measures, and incorporating this knowledge into management's decision-making processes.

Liquidity and Capital Resources

We believe that our capital structure allows us to meet our financial obligations. Our liquidity at the end of the **second** **third** quarter was **\$99.0 million** **\$107.0 million**. Liquidity is defined as unrestricted cash plus availability under the ABL Credit Agreement, Argentina Credit Facility, and Swedish Credit Facility. Information about the terms and covenants of our debt agreements can be found in Note 6 - Long Term Debt and Other Borrowings.

Our consolidated sources and uses of cash are as follows:

		Six Months Ended June 30,				Nine Months Ended September 30,			
		2023		2022		2023		2022	
		(in thousands)				(in thousands)			
Operating activities	Operating activities	\$ 37,357	\$ 23,803			Operating activities	\$ 51,331	\$ 25,948	
Investing activities	Investing activities	(22,004)	(15,919)			Investing activities	(28,918)	(28,280)	
Financing activities	Financing activities	(1,757)	(2,774)			Financing activities	(1,894)	(2,771)	

Operating Activities

Consolidated cash flows provided by operating activities increased compared to the first **six** **nine** months of 2022 primarily due to an increase in cash profit and working capital changes.

Investing Activities

Total cash capital expenditures during the first **six** **nine** months of 2023 were **\$23.3 million** **\$30.2 million**, which reflects increased expenditures to accommodate industry-wide activity recoveries as well as traditional front-loading of expected annual expenditures. Our Water & Flowback Services Division spent **\$16.6 million** **\$22.0 million** on capital expenditures, primarily to deploy additional SandStorm units to meet increased demands and to maintain, automate and upgrade its water management and flowback equipment fleet. Water and Flowback Services Division capital expenditures also included expenditures related to construction of the third early production facility in Argentina. Our Completion Fluids & Products Division spent **\$6.5 million** **\$7.8 million** on capital expenditures, primarily investing in additional capacity to support higher projected activity levels in the United States, Latin America and Europe.

Investing activities during the first **six** **nine** months of 2023 and 2022 included \$2.9 million and \$3.8 million, respectively, of proceeds for insurance settlements from damage to our Lake Charles facility in 2020.

Historically, a significant majority of our planned capital expenditures have been related to identified opportunities to grow and expand our existing businesses. We are also focused on enhancing shareholder value by capitalizing on our key mineral assets, brine mineral extraction expertise, and deep chemistry competency to expand our offerings into the low carbon energy markets. However, we continue to review all capital expenditure plans carefully in an effort to conserve cash. We currently have no long-term capital expenditure commitments. If the forecasted demand for our products and services increases or decreases, the amount of planned expenditures on growth and expansion may be adjusted.

Lithium and Bromine Inferred Resources

We have rights to the brine underlying our approximately 40,000 gross acres of brine leases in the Smackover Formation in Southwest Arkansas, including rights to the bromine and lithium contained in the brine. With respect to approximately 35,000 acres of that total acreage, we granted Standard Lithium an option to acquire the lithium rights. Standard Lithium delivered a notice to exercise this option to acquire those lithium rights on October 6, 2023. The agreements governing this option contemplate a 2.5% royalty that Standard Lithium would pay us based on gross lithium revenues. A copy of the Option Agreement with certain confidential information redacted is filed as Exhibit 10.1 to this Quarterly Report. Additional information on these inferred resources is described in Part I, "Item 2. Properties" in our [2022 Annual Report](#).

During early 2023, we completed an initial economic assessment for a bromine extraction plant. We expect an initial economic assessment to follow in **late 2023** **early 2024** for a lithium extraction plant, subject to the progress of early engineering. In June 2023, we entered into the MOU with Saltwerx, an indirect wholly owned subsidiary of a Fortune 500 company, relating to a newly-proposed brine unit in the Smackover Formation in Southwest Arkansas and potential bromine and lithium production from brine produced from the unit. **The binding provisions** We filed an amended Application covering approximately 6,138 acres, which expands the size of the MOU provide, among other things, unit area and also combines brine acreage that **(i)** was previously leased by each of TETRA and Saltwerx, with the **Company will file** AOGC. On September 26, 2023, the **Application** covering AOGC held a public hearing and unanimously approved our application to establish the Brine Unit. On October 17, 2023, the AOGC issued formal orders establishing the Brine Unit **with** and integrating all unleased parties within the **AOGC** Brine Unit, subject to a 60-day statutory election period for each unleased party to elect whether or not to participate and **(ii)** Saltwerx will provide a letter to the **Company** share in support costs of the **Application**. The MOU also contains provisions effective after, and contingent on, the **approval** development of the Brine Unit. If no such election is made within the election period, such unleased parties will be deemed integrated within the Brine Unit as described in the formal orders. The Brine Unit will cover approximately 6,138 acres combining brine acreage leased by each of us and Saltwerx for development. Under Arkansas law, while bromine can be commercially extracted, the AOGC **including** will need to establish the applicable lithium royalty before we can commercially produce lithium from the Brine Unit.

The MOU includes provisions relating to: (i) initial brine ownership percentages within the Brine Unit, including the bromine and lithium contained in the brine, (ii) the transfer of certain leased acres outside the proposed Brine Unit from us to Saltwerx **after the expiration of the 60-day statutory election period**, (iii) Saltwerx reimbursing us for certain expenses incurred by us to date regarding the development of leased acreage to be included in the Brine Unit, and (vi) an allocation of certain future costs for the drilling of a brine production test well and other development operations, including **FEED** front-end engineering and design studies for bromine and lithium production facilities. During the second quarter of 2023, we also contracted a third-party firm to execute a front-end engineering and design study for a lithium production facility. Only upon completion of an indicated resources study, pre-feasibility and/or feasibility study and attainment of capital commitment from either a joint venture partner, governments grants or loans, or other cost-effective sources of capital that will not over-lever the Company, in addition to confirmation of a successful recapitalization of the long-duration zinc-bromide battery storage manufacturers, would we proceed to a final investment decision.

Financing Activities

Our financing activities for the first **six** **nine** months of 2023 include **\$97.2** **\$97.4** million of borrowings and **\$98.2** **\$98.4** million of repayments under the ABL Credit Agreement, Argentina Credit Facility and Swedish Credit Facility, as well as **\$0.7** **\$0.8** million of capital lease payments associated with equipment leased primarily for the early production facilities in Argentina. We may supplement our existing cash balances and cash flow from operating activities with short-term borrowings, long-term borrowings, issuances of equity and debt securities, and other sources of capital. We are aggressively managing our working capital and capital expenditure needs in order to maximize our liquidity in the current environment.

Long-Term Debt

Term Credit Agreement The Term Credit Agreement is scheduled to mature on September 10, 2025. As of September 30, 2023, \$163.1 million in aggregate principal amount of our Term Credit Agreement is outstanding. Our Term Credit Agreement requires us to offer to prepay a percentage of Excess Cash Flow (as defined in the Term Credit Agreement) within five business days of filing our Annual Report. As of June 30, 2023, \$163.1 million in aggregate principal amount of **If our Term Credit Agreement Leverage Ratio at year-end is outstanding, less than 1.50 to 1.00, then no prepayment is required.**

Asset-Based Credit Agreement As of **June 30, 2023** **September 30, 2023**, our ABL Credit Agreement provides for a senior secured revolving credit facility of up to \$80.0 million, with a \$20.0 million accordion. The credit facility is subject to a borrowing base to be determined by reference to the value of inventory and accounts receivable, and includes a sublimit of \$20.0 million for letters of credit, a swingline loan sublimit of \$11.5 million, and a \$15.0 million sub-facility subject to a borrowing base consisting of certain trade receivables and inventory in the United Kingdom. The amounts we may borrow under the ABL Credit Agreement are derived from our accounts receivable, certain accrued receivables and certain inventory. Changes in demand for our products and services have an impact on our eligible accounts receivable, accrued receivables and the value of our

inventory, which could result in significant changes to our borrowing base and therefore our availability under our ABL Credit Agreement. As of **June 30, 2023** **September 30, 2023**, we had no balance outstanding and \$11.5 million in letters of credit and guarantees against our ABL Credit Agreement and availability of \$66.6 \$68.5 million, subject to compliance with the covenants, borrowing base, and other provisions of the ABL Credit Agreement.

Argentina Credit Facility. In January 2023, the Company entered into a revolving credit facility for certain working capital and capital expenditure needs for its subsidiary in Argentina ("Argentina Credit Facility"). As of **June 30, 2023** **September 30, 2023**, we had \$1.9 million \$1.9 million outstanding and availability of approximately \$0.1 million under the Argentina Credit Agreement. Borrowings bear interest at a rate of 2.50% per annum. The Argentina Credit Facility expires on October 19, 2023 and is was backed by a letter of credit under our ABL Credit Agreement. Agreement, and expired and was repaid in October 2023.

Swedish Credit Facility. In January 2022, the Company entered into a revolving credit facility for seasonal working capital needs of subsidiaries in Sweden. As of **June 30, 2023** **September 30, 2023**, we had no balance a nominal amount outstanding and availability of approximately \$4.6 million under this agreement. During each year, all outstanding loans under the Swedish Credit Facility must be repaid for at least 30 consecutive days. Borrowings bear interest at a rate of 2.95% per annum. The Swedish Credit Facility expires on December 31, 2023 and the Company intends to renew it annually.

Finland Credit Agreement. In January 2022, the Company also entered into a credit agreement guaranteed by certain accounts receivable and inventory in Finland ("Finland Credit Agreement"). As of **June 30, 2023** **September 30, 2023**, there were \$1.5 \$1.4 million of letters of credit outstanding against the Finland Credit Agreement. The Finland Credit Agreement expires on January 31, 2024 and the Company intends to renew it annually.

Other Sources and Uses of Cash

In addition to the aforementioned credit facilities, we fund our short-term liquidity requirements from cash generated by our operations and from short-term vendor financing. In addition, as of **June 30, 2023** **September 30, 2023**, the market value of our investments in CSI Compressco and Standard Lithium were \$6.6 \$7.2 million and \$3.6 \$2.3 million, respectively, with no holding restrictions on our ability to monetize our interests. In addition, we are party to agreements in which Standard Lithium has the right to explore for, and an option to acquire the right to produce and extract lithium in our Arkansas leases as well as additional potential resources, in the Mojave region of California. We received an additional 400,000 shares of Standard Lithium stock in April 2023 under the terms of this agreement, exercised its option with respect to our Arkansas leases on October 6, 2023. We also hold an investment in a convertible note issued by CarbonFree valued at \$6.3 \$6.6 million as of **June 30, 2023** **September 30, 2023**.

On May 5, 2022, we filed a universal shelf Registration Statement on Form S-3 with the SEC. On May 17, 2022, the Registration Statement on Form S-3 was declared effective by the SEC. Pursuant to this registration statement, we have the ability to sell debt or equity securities in one or more public offerings up to an aggregate public offering price of \$400 million. This shelf registration statement currently provides us additional flexibility with regards to potential financing that we may undertake when market conditions permit or our financial condition may require.

Should additional capital be required, the ability to raise such capital through the issuance of additional debt or equity securities may currently be limited. Instability or volatility in the capital markets at the times we need to

access capital may affect the cost of capital and the ability to raise capital for an indeterminable length of time. If it is necessary to issue additional equity to fund our capital needs, additional dilution of our common stockholders will occur. We periodically evaluate engaging in strategic transactions and may consider divesting non-core assets where our evaluation suggests such transactions are in the best interest of our business. In challenging economic environments, we may experience increased delays and failures by customers to pay our invoices. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have an adverse effect on our liquidity. An increase of in unpaid aged receivables would also negatively affect our borrowing availability under the ABL Credit Agreement.

As of **June 30, 2023** **September 30, 2023**, we had no "off balance sheet arrangements" that may have a current or future material effect on our consolidated financial condition or results of operations.

Critical Accounting Policies and Estimates

There have been no material changes or developments in the evaluation of the accounting estimates and the underlying assumptions or methodologies pertaining to our Critical Accounting Policies and Estimates disclosed in our [2022 Annual Report](#). In preparing our consolidated financial statements, we make assumptions, estimates, and judgments that affect the amounts reported. These judgments and estimates may change as new events occur, as new information is acquired, and as changes in our operating environments are encountered. Actual results are likely to differ from our current estimates, and those differences may be material.

Commitments and Contingencies

Litigation

For information regarding litigation, see Note 7 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements and Part II, "Item 1. Legal Proceedings" in this report.

Long-Term Debt

For information on our credit agreements, see Note 6 - "Long-Term Debt and Other Borrowings" in the Notes to Consolidated Financial Statements.

Leases

We have operating leases for some of our transportation equipment, office space, warehouse space, operating locations, and machinery and equipment. We have finance leases for certain facility storage tanks and equipment rentals. Information about the terms of our lease agreements can be found in our [2022 Annual Report](#).

Product and Asset Purchase Obligations

For information on product and asset purchase obligations, see Note 7 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements.

Cautionary Statement for Purposes of Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements in this Quarterly Report are identifiable by the use of the following words, the negative of such words, and other similar words: "anticipates", "assumes", "believes", "budgets", "could", "estimates", "expects", "forecasts", "goal", "intends", "may", "might", "plans", "predicts", "projects", "schedules", "seeks", "should", "targets", "will", and "would".

These forward-looking statements include statements concerning the inferred mineral resources of lithium and bromine, the potential extraction of lithium and bromine from the leased acreage, the development of the assets including construction of bromine extraction plants, the economic viability thereof, the demand for such resources, and the timing and cost of such activities; the ability to obtain an indicated or measured resources report and an initial economic assessment, indicated or measured resources report, and/or pre-feasibility or feasibility studies regarding our lithium and bromine acreage; statements regarding the Company's beliefs, expectations, plans, goals, future events and performance; and other statements that are not purely historical. With respect to the Company's disclosures of inferred mineral resources, including bromine and lithium carbonate equivalent concentrations, it is uncertain if further exploration will ever result in the estimation of a higher category of mineral resource or a mineral reserve. Inferred mineral resources are considered to have the lowest level of geological confidence of all mineral resources. Investors are cautioned that inferred mineral resources do not have demonstrated economic value. Inferred mineral resources have a high degree of uncertainty as to their existence and as to whether they can be economically or legally commercialized. A significant amount of exploration must be completed in order to determine whether an inferred mineral resource may be upgraded to a higher category. Therefore, investors are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally commercialized, or that it will ever be upgraded to a higher category. With respect to the Company's disclosures of the MOU with Saltwerx, it is uncertain about the ability of the parties to successfully negotiate one or more definitive agreements, the future relationship between the parties, [the approval of the application and Brine Unit by the AOGC](#), and the ability to successfully and economically produce lithium and bromine from the Brine Unit.

Management believes that these forward-looking statements are reasonable as and when made. However, investors are cautioned not to place undue reliance on any such forward-looking statements. Such statements speak only as of the date on which they are made, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations, forecasts or projections. These risks and uncertainties include, but are not limited to, those described in Part II, "Item 1A. Risk Factors" and elsewhere in this report and in our [2022 Annual Report](#), and those described from time to time in our future reports filed with the SEC.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Interest Rate Risk

The interest on our borrowings is subject to market risk exposure related to changes in applicable interest rates. Borrowings under the Term Credit Agreement bear interest at a rate per annum equal to, at the option of TETRA, either (i) SOFR (subject to a 1% floor) plus a margin of 6.25% per annum or (ii) a base rate plus a margin of 5.25% per annum. Borrowings under our ABL Credit Agreement bear interest at an agreed-upon percentage rate spread above SOFR. Borrowings under our Argentina Credit Facility and Swedish Credit Facility bear interest at fixed rates of 2.50% and 2.95%, respectively. The following table sets forth as of [June 30, 2023](#) [September 30, 2023](#), the principal amount due under our long-term debt obligations and their respective weighted average interest rates. As of [June 30, 2023](#) [September 30, 2023](#), we had no balance outstanding under our ABL Credit Agreement or Swedish Credit Facility Agreement. We are not a party to an interest rate swap contract or other derivative instrument designed to hedge our exposure to interest rate fluctuation risk.

		Interest			Interest		
		Scheduled Maturity	Rate	June 30, 2023 (in thousands)	Scheduled Maturity	Rate	September 30, 2023 (in thousands)
Term Credit Agreement	Term Credit Agreement	September 10, 2025	11.40%	\$ 163,072	Term Credit Agreement	September 10, 2025	11.68% \$ 163,071

Asset-Based Credit Agreement					Asset-Based Credit Agreement			
Argentina Credit Facility	Argentina Credit Facility	October 19, 2023	2.50%	1,900	Argentina Credit Facility	May 31, 2025	8.75%	—
Swedish Credit Facility					Swedish Credit Facility	October 19, 2023	2.50%	1,900
TETRA total debt, including current portion	TETRA total debt, including current portion			\$ 164,972	TETRA total debt, including current portion	December 31, 2023	2.95%	11

Exchange Rate Risk

We have currency exchange rate risk exposure related to revenues, expenses, operating receivables, and payables denominated in foreign currencies. We may enter into short-term foreign-currency forward derivative contracts as part of a program designed to mitigate the currency exchange rate risk exposure on selected transactions of certain foreign subsidiaries. Although contracts pursuant to this program will serve as an economic hedge of the cash flow of our currency exchange risk exposure, they are not expected to be formally designated as hedge contracts or qualify for hedge accounting treatment. Accordingly, any change in the fair value of these derivative instruments during a period will be included in the determination of earnings for that period. As of June 30, 2023 September 30, 2023, we did not have any foreign currency exchange contracts outstanding.

Item 4. Controls and Procedures.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2023 September 30, 2023, the end of the period covered by this quarterly report.

There were no changes in our internal controls over financial reporting that occurred during the quarter ended June 30, 2023 September 30, 2023, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

On May 31, 2022, TETRA filed a demand for arbitration with the American Arbitration Association ("AAA") under a certain Bromine Requirements Sales Agreement between TETRA and LANXESS Corporation (formerly Chemtura Corporation, "LANXESS") (the "Sales Agreement").

Under the Sales Agreement, TETRA agreed to purchase a certain volume of elemental bromine. LANXESS notified TETRA of a proposed non-ordinary course increase to the price of bromine. After lengthy discussions, TETRA and LANXESS were unable to reach an agreement regarding the validity of the proposed price increase; therefore, TETRA filed for arbitration seeking declaratory relief, among other relief, declaring that the proposed price increase is invalid. On September 19, 2022, LANXESS filed a counterclaim with the AAA seeking declaratory relief, among other relief.

On May 25, 2023, TETRA entered into the Third Amendment to Bromine Requirements Sales Agreement (the "Amendment") with LANXESS. The Amendment has an effective date of April 1, 2023 and was entered into in connection with the entry into a settlement agreement in the Company's arbitration with LANXESS. The Amendment provides for, among other things, revised volume requirements and related terms. On June 14, 2023, in light of the settlement agreement, and in response to the parties' stipulated motion to dismiss, the arbitration panel issued an Order of Dismissal, which dismissed all claims in the arbitration with prejudice.

For more information regarding litigation, see "Item 1. Legal Proceedings" in our [2022 Annual Report](#), our Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, and Note 7 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements. Statements included in this Quarterly Report.

Item 1A. Risk Factors.

As of the date of this filing, TETRA and its operations continue to be subject to the risk factors previously disclosed in the "Risk Factors" sections contained in our [2022 Annual Report](#). In addition, we are subject to the following supplemental risk factor.

We may not be able to utilize all or a portion of our net operating loss carryforwards or other tax benefits to offset future taxable income for U.S. federal, state or foreign tax purposes, which could adversely affect our financial position, results of operations and cash flows. We have adopted a Tax Benefits Preservation Plan (the "Tax Plan") that is designed to protect our Tax Attributes.

As of December 31, 2022, we had United States federal, state, and foreign deferred tax assets associated with net operating loss carryforwards ("NOLs") equal to approximately \$86.2 million, \$11.1 million, and \$7.8 million, respectively. In those countries and states in which NOLs are subject to an expiration period, our NOLs, if not utilized, will expire at various dates from 2023 through 2042.

We may be limited in the portion of our NOLs that we can use in the future to offset taxable income for United States, federal, state, and foreign income tax purposes. Utilization of these NOLs depends on many factors, including our future taxable income, which cannot be assured.

Under Section 382 ("Section 382") of the Internal Revenue Code of 1986, as amended (the "Code"), if a corporation experiences an "ownership change," any NOLs, losses or deductions attributable to a "net unrealized built-in loss" and other tax attributes ("Tax Attributes") could be substantially limited, and timing of the usage of such Tax Attributes could be substantially delayed. A corporation generally will experience an ownership change if one or more stockholders (or group of stockholders) who are each deemed to own at least 5% of the corporation's stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a testing period (generally, a rolling three-year period). Utilization of our Tax Attributes may be subject to a significant annual limitation as a result of prior or future "ownership changes." Determining the limitations under Section 382 is technical and highly complex, and no assurance can be given that upon further analysis our ability to take advantage of our NOLs or other Tax Attributes may be limited to a greater extent than we currently anticipate.

The Board of Directors has adopted the Tax Plan to protect the availability of the Company's Tax Attributes. The Tax Plan is designed to reduce the likelihood that we experience an ownership change by deterring certain acquisitions of our common stock. There can be no assurances, however, that the deterrent mechanism will be effective, and,

therefore, such acquisitions may still occur. In addition, the Tax Plan could adversely affect the marketability of our common stock by discouraging existing or potential investors from acquiring our common stock or additional shares of our common stock. If the Company is unable to use the Tax Attributes in years in which it has taxable income, the Company will pay significantly more in cash tax than if it were able to utilize the Tax Attributes, and those tax costs would negatively impact the Company's financial position, results of operations and cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

None. Rule 10b5-1 Trading Arrangements

During the three months ended September 30, 2023, no director or officer of TETRA adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

Exhibits:

3.1	Certificate of Designation of Series A Junior Participating Preferred Stock (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on March 1, 2023 (SEC File No. 001-13455)).
3.2	Restated Certificate of Incorporation of TETRA Technologies, Inc. (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8 filed on December 22, 2016 (SEC File No. 333-215283)).
3.3	Certificate of Amendment of Restated Certificate of Incorporation of TETRA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report filed on August 9, 2017 (SEC File No. 001-13455)).
3.4	Amended and Restated Certificate of Incorporation of TETRA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on May 25, 2023 (SEC File No. 001-13455)).
3.53.3	Second Amended and Restated Bylaws of TETRA Technologies, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Form 8-K filed on May 25, 2023 (SEC File No. 001-13455)).
4.1*+	Amendment to Credit Agreement dated June 6, 2023 between TETRA Technologies, Inc., Wilmington Trust, National Association, as Administrative Agent, and the Lenders party thereto.
4.2*+	Fourth Amendment to Credit Agreement dated May 15, 2023 between TETRA Technologies, Inc., TETRA Technologies U.K. Limited, certain Subsidiaries of TETRA party thereto, the other Loan Parties thereto, the Lenders party thereto, Issuing Banks party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.
4.34.1	Tax Benefits Preservation Plan dated as of February 28, 2023, between TETRA Technologies, Inc. and Computershare Trust Company, N.A. as Rights Agent (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on March 1, 2023 (SEC File No. 001-13455)).
4.410.1*+#+	Option Agreement dated December 29, 2017 by and among TETRA Technologies, Inc. Second Amended, SWA Lithium LLC (as successor-in-interest to Arkansas Lithium Ltd), and Restated 2018 Equity Incentive Plan ((incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on May 25, 2023 (SEC File No. 001-13455)).
10.1+*	Third Amendment to Bromine Requirements Sales Agreement between Chemtura Corporation and TETRA Technologies, Inc. dated May 25, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed on May 31, 2023 (SEC File No. 001-13455)).
10.2*+#+	Memorandum of Understanding between TETRA Technologies, Inc. and Saltwerx LLC dated June 19, 2023, Standard Lithium Ltd.
31.1*	Certification Pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification Pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification Furnished Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification Furnished Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.SCH++	XBRL Taxonomy Extension Schema Document.
101.CAL++	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF++	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB++	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE++	XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL documents

* Filed with this report.

** Furnished with this report.

+ Portions have been omitted pursuant to Regulation S-K Item 601(b)(10)(iv), because the omitted information is both not material and is the type that the Company treats as private or confidential.

++ Attached as Exhibit 101 to this report are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Statements of Operations for the three and six-month nine-month periods ended [June 30, 2023](#) [September 30, 2023](#) and 2022; (ii) Consolidated Statements of Comprehensive Income for the three and six-month nine-month periods ended [June 30, 2023](#) [September 30, 2023](#) and 2022; (iii) Consolidated Balance Sheets as of [June 30, 2023](#) [September 30, 2023](#) and December 31, 2022; (iv) Consolidated Statements of Equity for the six-month nine-month periods ended [June 30, 2023](#) [September 30, 2023](#) and 2022; (v) Consolidated Statements of Cash Flows for the six-month nine-month periods ended [June 30, 2023](#) [September 30, 2023](#) and 2022; and (vi) Notes to Consolidated Financial Statements for the six-nine months ended [June 30, 2023](#) [September 30, 2023](#).

Certain schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any such omitted schedule to the SEC upon request.

SIGNATURES

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

TETRA Technologies, Inc.

Date: **July 31, October 30, 2023**

By: /s/Brady M. Murphy

Brady M. Murphy
President and Chief Executive Officer
Principal Executive Officer

Date: **July 31, October 30, 2023**

By: /s/Elijio V. Serrano

Elijio V. Serrano
Senior Vice President and Chief Financial Officer
Principal Financial Officer

Date: **July 31, October 30, 2023**

By: /s/Richard D. O'Brien

Richard D. O'Brien
Vice President – Finance and Global Controller
Principal Accounting Officer

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AMENDMENT TO CREDIT AGREEMENT

This Amendment to Credit Agreement (this "**Amendment**") is made and entered into as of June 6, 2023 (the "**Amendment Effective Date**"), by and among TETRA TECHNOLOGIES, INC., a Delaware corporation (the "**Company**"), WILMINGTON TRUST, NATIONAL ASSOCIATION, solely in its capacity as Administrative Agent, and the Lenders party hereto.

RECITALS:

WHEREAS, the Company is a party to that certain Credit Agreement, dated as of September 10, 2018 (as amended by the Amendment to Credit Agreement, dated as of July 30, 2021, the Amendment to Credit Agreement, dated as of December 17, 2021, and as further amended, amended and restated, supplemented, or otherwise modified from time to time prior to the date hereof, the "Credit Agreement"), by and among the Company, the Administrative Agent, and the Lenders party thereto. Capitalized terms used but not defined herein have the meanings set forth in the Credit Agreement.

WHEREAS, the Company has requested that the Credit Agreement be amended as hereinafter provided.

WHEREAS, subject to and upon the terms and conditions contained herein, the Administrative Agent and the Lenders have agreed to the Company's requests as set forth herein.

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

SECTION 1. Amendments to the Credit Agreement. In reliance upon the representations, warranties, covenants, and conditions contained in this Amendment, and subject to the satisfaction (or waiver) of the conditions precedent set forth in Section 2 hereof, the Credit Agreement is hereby amended as of the Amendment Effective Date in the manner provided in this Section 1:

(a) The Credit Agreement is amended to delete the red, stricken text (indicated textually in the same manner as the following example: **stricken text**) and to add the blue, double-underlined text (indicated textually in the same manner as the following example: **double-underlined text**), in each case, as set forth in the Credit Agreement attached as **Annex A** hereto.

(b) Exhibit A (Committed Loan Notice) to the Credit Agreement is hereby replaced, in its entirety, by Exhibit A in the form attached as **Annex B** hereto.

(c) The amendments to Eurodollar Related Definitions and provisions with respect thereto set forth in the pages of the Credit Agreement attached as Exhibit A hereto shall not apply with respect to any (i) Eurodollar Rate Committed Loan requested, made or outstanding that bears interest with reference to the Eurodollar Rate that (A) is or was set prior to the Amendment Effective Date and (B) is held constant for a specifically designated period and is not reset on a daily or substantially daily basis (disregarding day count, weekend or holiday conventions), and (ii) any retroactive margin, yield, fee or commission increases available to the Administrative Agent or the Lenders as a result of any inaccuracy in any financial statement or compliance certificate that, if corrected, would have led to the application of a higher interest margin or yield with respect to any Eurodollar Rate Committed Loan or any higher fee or commission for any applicable period, and in each case, the Eurodollar Related Definitions and provisions with respect thereto (as in effect immediately prior to giving effect to the provisions of this Agreement) shall continue in effect solely for such purpose; provided that, with respect to any such Eurodollar Rate

Committed Loan described in this clause (c), such Eurodollar Rate Committed Loan shall only continue in effect in accordance with its terms until the then-current Interest Period for such Eurodollar Rate Committed Loan has concluded. As used in this clause (c), "Eurodollar Related Definitions" means any term defined in the Credit Agreement or any other Loan Document (or any partial definition thereof) as in effect immediately prior to giving effect to the provisions of this Agreement on the Amendment Effective Date, however phrased, primarily relating to the determination, administration or calculation of the Eurodollar Rate. "Eurodollar Related Definitions" does not include any term such as "ABR" or other analogous or similar term generally indicating use of a benchmark rate other than, immediately prior to giving effect to the provisions of this Agreement on the Amendment Effective Date, the Eurodollar Rate, even if such term, immediately prior to giving effect to the provisions of this Agreement on the Amendment Effective Date, would have included a component based on the Eurodollar Rate.

SECTION 2. Conditions Precedent to Amendment. This Amendment will be effective as of the Amendment Effective Date on the condition that the following conditions precedent will have been satisfied or waived:Execution Copy

2.1 **Counterparts.** The Administrative Agent and the Lenders shall have received counterparts of this Amendment duly executed by the Company, the Administrative Agent, and the Required Lenders (or, in the case of any party as to which an executed counterpart shall not have been received, telegraphic, telex, or other written confirmation from such party of execution of a counterpart hereof by such party).

2.2 **Expenses.** To the extent invoiced prior to the Amendment Effective Date, the Administrative Agent shall have received payment or reimbursement of its reasonable and documented out-of-pocket expenses in connection with this Amendment and any other reasonable and documented out-of-pocket expenses of the Administrative Agent required to be paid or reimbursed by the Company pursuant to the Credit Agreement, including the reasonable fees, charges, and disbursements of counsel for the Administrative Agent.

2.3 **Fee.** The Administrative Lender shall have received payment of a \$5,000 amendment fee which is deemed fully earned and non-refundable on Amendment Effective Date.

2.4 **Consent.** Each Lender, by delivering its signature page to this Amendment, shall be deemed to have acknowledged receipt of, and consented to and approved, this Amendment and each other document, agreement, and/or instrument required to be approved by the Administrative Agent, the Required Lenders, or the Lenders, as applicable, and each condition to be satisfied as of the date hereof.

SECTION 3. Representations and Warranties. The Borrower hereby represents and warrants to the Lenders that:

3.1 all of the representations and warranties made by any Loan Party in the Credit Agreement, as amended hereby, and the other Loan Documents are true and correct in all material respects on and as of the Amendment Effective Date as though made on and as of the Amendment Effective Date (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties are true and correct in all material respects as of such earlier date and except where such representations and warranties are qualified by materiality, Material Adverse Effect, or similar language, in which case such representations and warranties are true and correct in all respects after giving effect to such qualification);

3.2 after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing on and as of the Amendment Effective Date; and

3.3 the Company has all requisite power and authority to enter into this Amendment.

SECTION 4. [Reserved].

SECTION 5. No Waiver. Except as expressly set forth herein, nothing contained in this Amendment shall be construed as a waiver by the Lenders of any covenant or provision of the Credit Agreement or the other Loan Documents, and the failure of the Lenders at any time or times hereafter to require strict performance by the Loan Parties of any provision thereof shall not waive, affect, or diminish any right of the Lenders to thereafter demand strict compliance therewith. The Administrative Agent and the Lenders hereby reserve all rights granted under the Credit Agreement, the other Loan Documents, and this Amendment.

SECTION 6. Survival of Representations and Warranties. All representations and warranties made by the Company in this Amendment, including any Loan Document furnished in connection with this Amendment, shall survive the execution and delivery of this Amendment and the other Loan Documents, and no investigation by the Administrative Agent or any closing shall affect the representations and warranties or the right of the Administrative Agent or any Lender to rely upon them.

SECTION 7. Severability. Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 8. APPLICABLE LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 9. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

SECTION 10. Counterparts; Electronic Execution. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original but all of which when taken together shall constitute but one and the same instrument. Delivery of an executed signature page of this Amendment by facsimile transmission or PDF electronic transmission shall be effective as delivery of a manually executed counterpart hereof. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global

and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

SECTION 11. **Headings.** The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

SECTION 12. **Reaffirmation of Loan Documents.** The Credit Agreement, as amended hereby, and the other Loan Documents are hereby ratified, approved, and confirmed in each and every respect. All references to the Credit Agreement in any Loan Document shall hereafter be deemed to refer to the Credit Agreement as amended hereby.

SECTION 13. **Loan Document.** This Amendment constitutes a "Loan Document" under and as defined in the Credit Agreement.

SECTION 14. **Administrative Agent Direction.** Each of the undersigned Lenders (collectively constituting all of the Lenders under the Credit Agreement) hereby (i) authorizes and directs the Administrative Agent to execute and deliver this Amendment and (ii) acknowledges and agrees that the direction set forth in this Amendment constitutes an instruction and request of the Lenders under the Loan Documents, including Sections 9.03 and 9.04 of the Credit Agreement.

SECTION 15. **Entire Agreement.** THE CREDIT AGREEMENT, THIS AMENDMENT, THE OTHER LOAN DOCUMENTS, AND ALL OTHER INSTRUMENTS, DOCUMENTS, AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION WITH THIS AMENDMENT REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Amendment Effective Date.

COMPANY:

TETRA TECHNOLOGIES, INC.,

a Delaware corporation

By: */s/ Jacek Mucha*

Name: Jacek Mucha

Title: Vice President – Finance, Treasurer, and Assistant Secretary

[Signature Page to Amendment To Credit Agreement – Tetra Technologies, Inc.]

WILMINGTON TRUST, NATIONAL ASSOCIATION,

as Administrative Agent

By: */s/ Alec Winchel*

Name: Alec Winchel

Title: Relationship Manager | Assistant VP

[Signature Page to Amendment To Credit Agreement – Tetra Technologies, Inc.]

BCRED DENALI PEAK FUNDING LLC

By: Blackstone Private Credit Fund, its sole member

By: Blackstone Credit BDC Advisors LLC, as investment advisor

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

BCRED SUMMIT PEAK FUNDING LLC

By: Blackstone Private Credit Fund, as sole member

By: Blackstone Credit BDC Advisors LLC, as investment advisor

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

BCRED TWIN PEAKS LLC

By: Blackstone Private Credit Fund LP, its sole member

By: Blackstone Credit BDC Advisors LLC, as investment advisor

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

[Signature Page to Amendment To Credit Agreement – TETRA Technologies, Inc.]

BGSL BRECKENRIDGE FUNDING LLC

By: Blackstone Secured Lending Fund, as sole member

By: Blackstone Credit BDC Advisors LLC, as investment advisor

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

BLACKSTONE SECURED LENDING FUND

By: Blackstone Credit BDC Advisors LLC, as investment advisor

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

[Signature Page to Amendment To Credit Agreement – TETRA Technologies, Inc.]

EMERALD SPRING STREET LP

By: Emerald GP Ltd, its general partner

By: Blackstone Credit BDC Advisors LLC, as administrator

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

GSO BARRE DES ECRINS MASTER FUND SCSP

By: Blackstone Alternative Credit Advisors LP, its Investment Adviser

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

BCRED MML CLO 2022-1 LLC

By: Blackstone Liquid Credit Strategies LLC, its collateral manager

By: /s/ Marisa J. Beeney

Name: Marisa J. Beeney

Title: Authorized Signatory

[Signature Page to Amendment To Credit Agreement – TETRA Technologies, Inc.]

BCRED MML CLO 2022-2 LLC

By: Blackstone Liquid Credit Strategies LLC, its collateral manager

By: /s/ Marisa J. Beeney
Name: Marisa J. Beeney
Title: Authorized Signatory

GSO BROOME STREET LLC

By: GSO Orchid Fund LP, its member
By: GSO Orchid Associates LLC, its general partner

By: /s/ Marisa J. Beeney
Name: Marisa J. Beeney
Title: Authorized Signatory

CPPIB CREDIT INVESTMENTS III INC.

By: /s/ Geoffrey Souter
Name: Geoffrey Souter
Title: Authorized Signatory

By: /s/ Paul Shopiro
Name: Paul Shopiro
Title: Authorized Signatory

[Signature Page to Amendment To Credit Agreement – TETRA Technologies, Inc.]

ANNEX A

CREDIT AGREEMENT

Dated as of September 10, 2018

As amended July 30, 2021 ~~and~~, December 17, 2021 and June 6, 2023

among

TETRA TECHNOLOGIES, INC.,

as the Borrower,

WILMINGTON TRUST, NATIONAL ASSOCIATION,
as Administrative Agent,

and

The Lenders Party Hereto

[Signature Page to Amendment To Credit Agreement – TETRA Technologies, Inc.]

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CREDIT AGREEMENT

This CREDIT AGREEMENT ("Agreement") is entered into as of September 10, 2018, among TETRA TECHNOLOGIES, INC., a Delaware corporation (the "Borrower"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, as Administrative Agent.

RECITALS

- A. The Borrower has requested the extension of a senior secured term loan credit facility in an aggregate principal amount of \$275,000,000;
- B. The proceeds of the Committed Loans shall be used on the Closing Date (i) to redeem all of the outstanding 2022 Senior Secured Notes, (ii) to repay amounts outstanding under the Existing Credit Agreement and (iii) to pay transaction fees and expenses associated therewith, with any remaining proceeds being available for general corporate purposes of the Borrower; and
- C. The Lenders are willing to extend the credit described above to the Borrower on the terms and subject to the conditions set forth herein.
- D. 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 set forth in Section 4.01 hereof, the parties hereto agree as follows:

Article I

DEFINITIONS AND ACCOUNTING TERMS

1.01 **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:

"2022 Senior Secured Notes" means the \$125,000,000 11.00% Senior Secured Notes due November 5, 2022, issued by the Borrower to Blackstone Tetra Holdings LP pursuant to the 2022 Note Purchase Agreement.

"2022 Note Purchase Agreement" means that certain Amended and Restated Note Purchase Agreement, dated as of July 1, 2016, between the Borrower and Blackstone Tetra Holdings LP, as amended by that certain First Amendment to Amended and Restated Note Purchase Agreement, dated as of December 22, 2016, and as further amended, amended and restated, supplemented or otherwise modified through the date hereof.

"ABL Administrative Agent" means JPMorgan Chase Bank, N.A. as administrative agent and collateral agent under the ABL Credit Agreement, together with its successors and permitted assigns in such capacity.

"ABL Credit Agreement" means the Closing Date ABL Credit Agreement, as extended, restructured, renewed, refinanced, restated, replaced or refunded in whole or in part from time to time in accordance with the terms and limitations of this Agreement and the Term/ABL Intercreditor Agreement and the ABL Loan Documents; *provided* that any such refinancing, restatement, replacing or refunding shall provide for a secured, revolving credit facility, governed by a one or more borrowing bases in a single tranche in right of payment and collateral and providing for revolving loans, and which may provide for swing line loans and/or letters of credit, in each case, solely with commercial banks that customarily provide revolving credit senior secured facilities providing for revolving credit loans, swing line loans and/or letters of credit on a secured basis. Except as otherwise provided herein, any reference to the ABL Credit Agreement hereunder shall be deemed a reference to any ABL Credit Agreement then in existence. Notwithstanding anything to the contrary herein, any assignment by a Lender (as defined in the Closing Date ABL Credit Agreement) of its interests under the Closing Date ABL Credit Agreement to a Permitted ABL Assignee shall not cause a Default or Event of Default under this Agreement and shall not cause the Closing Date ABL Credit Agreement to cease to constitute an "ABL Credit Agreement" under this Agreement.

"ABL Facility" means the ABL Credit Agreement and shall include the ABL Loan Documents, providing for one or more revolving credit facilities, including any such facility that increases or decreases the amount permitted to be borrowed thereunder or alters the maturity thereof and whether by the same or any other agent, lender or group of lenders, and any amendments, supplements, modifications, extensions, renewals, restatements, amendments and restatements, refundings or replacements thereof (or any subsequent replacement thereof) into or

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with one or more revolving credit facilities, in each case, in accordance with the terms and limitations of this Agreement and the Term/ABL Intercreditor Agreement.

"ABL Loan Documents" has the meaning assigned to the term "Loan Documents" in the ABL Credit Agreement.

"ABL Priority Collateral" has the meaning assigned to such term in the Term/ABL Intercreditor Agreement.

"Acquisition" means the acquisition by the Borrower or any Restricted Subsidiary of (a) sufficient equity or voting interests of a Person to cause such Person to become a Subsidiary or (b) all or substantially all of the assets or operations, division or line of business of a Person.

"Additional Committed Loans" has the meaning specified in [Section 2.01](#).

"Adjusted Daily Simple Rate" means an interest rate per annum equal to (a) [Daily Simple SOFR](#), plus (b) 0.10%; *provided that if the Adjusted Daily Simple 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.*

"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 Wilmington Trust, National Association in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on [Schedule 10.02](#), or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in substantially the form of [Exhibit C-2](#) or any other form approved by the Administrative Agent.

"Affected Financial Institution" means (a) any [EEA Financial Institution](#) or (b) any [UK Financial Institution](#).

"Affiliate" means, at any time, and with respect to any Person, (a) any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person, and (b) any Person beneficially owning or holding, directly or indirectly, 10% or more of any class of voting or

Equity Interests of the Borrower or any Restricted Subsidiary or any corporation of which the Borrower and its Restricted Subsidiaries beneficially own or hold, in the aggregate, directly or indirectly, 10% or more of any class of voting or Equity Interests. As used in this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of the Borrower. Notwithstanding anything in the foregoing to the contrary, a Person that (i) would be an Affiliate of the Borrower solely by virtue of its ownership of voting or Equity Interests of the Borrower and (ii) is eligible pursuant to Rule 13d-1(b) under the Exchange Act to file a statement with the Securities and Exchange Commission on Schedule 13G, shall not be deemed to be an Affiliate.

"Affiliate Transaction" has the meaning specified in [Section 7.10\(a\)](#).

"Aggregate Commitments" means the Commitments of all the Lenders, but in no event to exceed the Maximum Facility Amount.

"Agreement" means this Credit Agreement.

"Anti-Corruption Laws" has the meaning specified in [Section 5.15\(d\)\(i\)](#).

"Anti-Money Laundering Laws" has the meaning specified in [Section 5.15\(c\)](#).

"Applicable Percentage" means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments represented by such Lender's Commitment at such time. If the commitment of each Lender to make Committed Loans has been terminated pursuant to [Section 8.02](#) or if the Aggregate Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on [Schedule 2.01](#) or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means (i) with respect to [Eurodollar SOFR](#) Rate Committed Loans, 6.25% and (ii) with respect to Base Rate Committed Loans, 5.25%.

"Approved Fund" means (i) any member of the Blackstone Group and (ii) any Fund 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.

"Assignee Group" means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor or its Affiliates.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by [Section 10.06\(b\)](#)), and accepted by the Administrative Agent, in substantially the form of [Exhibit C-1](#) or any other form approved by the Administrative Agent.

"Availability Period" means the period from and including the Closing Date to the earliest of (a) the first anniversary of the Closing Date, (b) the date of termination of the Aggregate Commitments pursuant to [Section 2.05](#), and (c) the date of termination of the commitment of each Lender to make Committed Loans pursuant to [Section 8.02](#).

"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 [Section 3.03\(e\)](#).

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable [EEA](#) Resolution Authority in respect of any liability of an [EEA 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 \(other than through liquidation, administration or other insolvency proceedings\)](#).

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as set forth in the print edition of [The Wall Street Journal](#) as the base rate on corporate loans posted by at least 70% of the largest U.S. banks announced from time to time by [The Wall Street Journal](#) as its "prime rate," and (c) the [Eurodollar SOFR](#) Rate for a one-month Interest Period (as [determined on such day published two \(2\) U.S. Government Securities](#)

Business Days prior to such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) plus 1.00%. Any change in such rate published by *The Wall Street Journal* shall take effect at the opening of business on the day of publication.

"Base Rate Committed Loan" means a Committed Loan that bears interest based on the Base Rate.

"Benchmark" means, initially, **Adjusted Term SOFR Rate**; provided that if a Benchmark Transition Event and the related Benchmark Replacement Date have occurred with respect to **Adjusted Term SOFR Rate**

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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 Section 3.03(b).

"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 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 syndicated credit facilities denominated in Dollars 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 equal to 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 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.

"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 Board, the Federal Reserve Bank of New York, 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 clause (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 Loan Document in accordance with Section 3.03 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.03.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA 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".

"Blackstone" means, collectively, Blackstone Alternative Credit Advisors LP together with its Affiliates and any funds that are administered, advised or managed by it.

"Blackstone Group" means Blackstone, its Affiliates and funds managed, advised or sub-advised by Blackstone or any of its affiliates.

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Board" means the Board of Directors of the Borrower.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any **Eurodollar SOFR Rate Committed Loan and any interest rate settings, fundings, disbursements, settlements or payments of any such Committed Loan, or any other dealings of such Committed Loan referencing the SOFR Rate Committed Loan, **means** the term "Business Day" shall also exclude any such day that is **also a London Banking** not a U.S. Government Securities Business Day.**

"Capital Expenditure" means, for any period, all expenditures and costs of the Borrower and its Restricted Subsidiaries that are (or should be) capitalized on the consolidated balance sheet of the Borrower in accordance with GAAP as of the end of such period, but in any event excluding (a) any transaction constituting an Acquisition and

(b) capital expenditures for the restoration, repair or replacement of any fixed or capital asset that was destroyed or damaged, in whole or in part, to the extent financed by the proceeds of insurance on such property.

"Capital Lease" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Capital Stock" means: (a) in the case of a corporation, corporate stock; (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (c) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"CarbonFree Investment" means, collectively, Investments by the Loan Parties in CarbonFree Chemicals Holdings LLC, or any Affiliate thereof, the Fair Market Value of which (measured on the date each such Investment was made and without giving effect to subsequent changes in value) does not exceed \$5,000,000 in the aggregate.

"Cash Equivalents" means: (a) United States dollars; (b) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (provided that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition; (c) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any lender party to the Credit Agreement or with any domestic commercial bank having capital and surplus in excess of \$500.0 million and a Thomson Bank Watch Rating of "B" or better; (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (b) and (c) above entered into with any financial institution meeting the qualifications specified in clause (c) above; (e) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within six months after the date of acquisition; and (f) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (e) of this definition.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption 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) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; **provided** that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines 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 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 or issued.

"Change of Control" means an event or series of events by which any person or "group" (within the meaning of Sections 13(d) and 14(d)(2) of the Exchange Act) (such person or persons hereinafter referred to as an "Acquiring Person") becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of the voting power of the then outstanding Voting Stock of the Borrower.

"CISADA" has the meaning specified in [Section 5.15\(a\)](#).

"Closing Date" means the first date all the conditions precedent in [Section 4.01](#) are satisfied or waived in accordance with [Section 10.01](#).

"Closing Date ABL Credit Agreement" means that certain Credit Agreement, of even date herewith, by and among the Borrower, each lender from time to time party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, as amended, supplemented or modified from time to time in accordance with the terms and limitations of this Agreement and the Term/ABL Intercreditor Agreement and the ABL Loan Documents, for so long as the lenders thereunder are commercial banks or would otherwise constitute Permitted ABL Assignees.

"CME Term SOFR Administrator" means [CME Group Benchmark Administration Limited as administrator of the forward-looking term SOFR \(or a successor administrator selected by the Administrative Agent \(acting at the direction of the Required Lenders\)\)](#).

"Code" means the Internal Revenue Code of 1986.

"Collateral" has the meaning specified in the Security Agreement.

"Collateral Documents" means the Security Agreement, the Intellectual Property Security Agreement, the Term/ABL Intercreditor Agreement, any Control Agreements and all other security agreements, deeds of trust, mortgages, chattel mortgages, pledges, Guarantees, financing statements, continuation statements, extension agreements and other

agreements or instruments now, heretofore, or hereafter delivered by any Loan Party to Administrative Agent in connection with this Agreement, any other Loan Document or any transaction contemplated hereby to secure or Guaranties the payment of any part of the Obligations or the performance of any Loan Party's other duties and obligations under the Loan Documents to which such Loan Party is a party.

"Commitment" means, as to each Lender, its obligation to make Committed Loans to the Borrower pursuant to Section 2.01, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 less such Lender's pro rata share of the Initial Committed Loans made or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"Committed Borrowing" means a borrowing consisting of simultaneous Committed Loans of the same Type and, in the case of **Eurodollar** **SOFR** Rate Committed Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

"Committed Loan" has the meaning specified in Section 2.01.

"Committed Loan Notice" means a notice of (a) a Committed Borrowing, (b) a conversion of Committed Loans from one Type to the other, or (c) a continuation of **Eurodollar** **SOFR** Rate Committed Loans, pursuant to Section 2.02(a), which shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent, appropriately completed and signed by a Responsible Officer of the Borrower.

"Commodity Account Control Agreement" has the meaning assigned to such term in the Security Agreement.

"Compressco" means CSI Compressco LP, a Delaware limited partnership.

"Compressco Unit Holding Subsidiary" means any Subsidiary of the Borrower that owns Compressco Units from time to time.

"Compressco Units" means any general or limited partnership interests in, or any incentive distribution rights or other Equity Interest in, Compressco.

"Conforming Changes" means, with respect to either the use or administration of any Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," 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, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent (in consultation with Blackstone and the Borrower) 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 (in consultation with Blackstone and the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Consolidated Adjusted Working Capital" means, with respect to the Borrower and its Restricted Subsidiaries on a consolidated basis at any date of determination, Current Assets (other than cash and Cash Equivalents) at such date of determination minus Current Liabilities at such date of determination; provided that increases or decreases in Consolidated Adjusted Working Capital shall be calculated without regard to any changes

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In Current Assets or Current Liabilities as a result of (a) any reclassification in accordance with GAAP of assets or liabilities, as applicable, between current and noncurrent or (b) the effects of purchase accounting.

"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.

"Consolidated Funded Indebtedness" means, as of any date, the outstanding Indebtedness of the Borrower and its Restricted Subsidiaries on such date of the kinds referred to in clauses (a), (b), (d), (f), (g) and (h) (but only to the extent of any unreimbursed, drawn amounts outstanding under any such letters of credit or letters of guaranty) of the definition of Indebtedness, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Earnings" means, for any period, the net income or loss of the Borrower and its Restricted Subsidiaries for such period, including cash dividends and distributions (not return of capital) received from Persons other than Restricted Subsidiaries and after allowances for taxes for such period, determined on a consolidated basis in accordance with GAAP, provided that there shall be excluded therefrom (to the extent otherwise included therein): (i) extraordinary or nonrecurring gains, losses or expenses (including, whether or not otherwise includable as a separate item in the earnings statement for such period, non-cash losses on sales of assets outside of the ordinary course of

business); (ii) non-cash gains, losses, expenses or adjustments under FASB Statement No. 133 as a result of changes in the fair market value of derivatives; (iii) any gains or losses attributable to write-ups or write-downs of assets, including ceiling test write-downs; (iv) adjustments due to changes in accounting principles and the effect of discontinued operations; and (v) any Equity Interest of the Borrower or any Restricted Subsidiary in the undistributed earnings of a Person that is not a Restricted Subsidiary.

"Consolidated Total Assets" means, as of any date, the total assets of the Borrower and its Restricted Subsidiaries as of such date, determined on a consolidated basis in accordance with GAAP.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control Agreement" means a control agreement in form and substance satisfactory to the Administrative Agent and the Required Lenders necessary to cause the Administrative Agent to have "control" (within the meaning of Section 9-104 of the UCC) over such deposit or securities account.

"Controlled Entity" means (a) any of the Subsidiaries of the Borrower and any of their or the Borrower's respective Affiliates and (b) any parent company of the Borrower and such parent company's Affiliates.

"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.

"CPPIB" means CPPIB Credit Investments III Inc.

"Current Assets" means, with respect to the Borrower and its Restricted Subsidiaries on a consolidated basis at any date of determination, all assets that would, in accordance with GAAP, be classified on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries as current assets at such date of determination, other than amounts related to current or deferred Taxes based on income or profits.

"Current Liabilities" means, with respect to the Borrower and its Restricted Subsidiaries on a consolidated basis at any date of determination, all liabilities that would, in accordance with GAAP, be classified on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries as current liabilities at such date of determination, other than (a) the current portion of the Obligations or any Indebtedness outstanding under the ABL Facility, (b) accruals of Interest Expense (excluding Interest Expense that is due and unpaid), and (c) accruals for current or deferred Taxes based on income or profits.

"Customary Recourse Exceptions" means, with respect to any Non-Recourse Debt of an Unrestricted Subsidiary or Joint Venture, (i) Liens on and pledges of the Equity Interests of any Unrestricted Subsidiary or any Joint Venture owned by the Borrower or any Restricted Subsidiary to the extent securing otherwise Non-Recourse Debt of such Unrestricted Subsidiary or Joint Venture and (ii) exclusions from the exculpation provisions with respect to such Non-Recourse Debt for the voluntary bankruptcy of such Unrestricted Subsidiary or Joint Venture, fraud, misapplication of cash, environmental claims, waste, willful destruction and other circumstances customarily

excluded by lenders from exculpation provisions or included in separate indemnification agreements in non-recourse financings.

"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 (a) if such SOFR Rate Day is an U.S. Government Securities Business Day, such SOFR Rate Day or (b) if such SOFR Rate Day is not an U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day (provided, that any request for Daily Simple SOFR shall be based on the published rate for Daily Simple SOFR as of the Business Day of such request), 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 Borrower.

"Debtor Relief Laws" means the Bankruptcy Code of the United States, 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.

"December SLI Prepayment" has the meaning specified in Section 2.04(b)(ii).

"Declined Amounts" means any amounts offered to Lenders pursuant to Section 2.04(b) that are not accepted by the applicable Lenders in accordance with Section 2.04(b).

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (a) the Base Rate **plus** (b) the Applicable Rate applicable to Base Rate Committed Loans **plus** (c) 2% per annum; **provided, however,** that with respect to a **Eurodollar****SOFR** Rate Committed Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Committed Loan plus 2% per annum.

"Defaulting Lender" means, subject to **Section 2.14(b)**, any Lender that (a) has failed to (i) fund all or any portion of its Committed Loans within two Business Days of the date such Committed Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of the failure to satisfy one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing), or (ii) pay to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder or generally under other agreements in which it commits to extend credit, or has made a public statement to either effect (unless such writing or public statement relates to such Lender's obligation to fund a Committed Loan hereunder and states that such position is based on the failure to satisfy a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to **Section 2.14(b)**) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower and each other Lender promptly following such determination.

"Deposit Account Control Agreement" has the meaning assigned to such term in the Security Agreement.

"Disclosure Documents" has the meaning specified in Section 5.03.

"Disposition" means the sale, lease, transfer or other disposition, including by way of merger, of any assets, including Capital Stock of Restricted Subsidiaries; **provided, however,** that the following shall not constitute Dispositions:

- (a) a Restricted Payment that does not violate **Section 7.11** of this Agreement, including the issuance or sale of Equity Interests or the sale, lease or other disposition of products, services, equipment, inventory, accounts receivable or other assets pursuant to any such Restricted Payment;
- (b) the consummation of a Permitted Investment, including, without limitation, unwinding any obligations under Hedging Contracts, and including the issuance or sale of Equity Interests or the sale, lease or other disposition of products, services, equipment, inventory, accounts receivable or other assets pursuant to any such Permitted Investment; and
- (c) any issuance of Compressco Units by Compressco.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Committed Loans mature; **provided** that, if such Equity Interests are issued under any plan for the benefit of employees of the Borrower or another Loan Party, such Equity Interests shall not constitute Disqualified Stock solely because they may be required to be repurchased by the Borrower or any other Loan Party in order to satisfy applicable statutory or regulatory obligations.

"Divestiture" means the divesture by the Borrower or any Restricted Subsidiary of either (a) sufficient Equity Interests of a Restricted Subsidiary to cause it no longer to be a Subsidiary or (b) substantially all of the assets or operations of a Restricted Subsidiary or a division or line of business of the Borrower or a Restricted Subsidiary.

"Dollar" and **"\$"** mean lawful money of the United States.

"Domestic Subsidiary" means a Subsidiary organized under the laws of a jurisdiction located in the U.S. other than (i) a Subsidiary that substantially all of the assets of which consist of Equity Interests in one or more Foreign Subsidiaries and (ii) a Subsidiary of a Foreign Subsidiary.

"EBITDA" means, for any period, without duplication, the sum of Consolidated Net Earnings for such period *plus*, to the extent deducted in calculating Consolidated Net Earnings: (i) Interest Expense, amortization or write-off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Committed Loans); (ii) federal, state and foreign income tax expense; (iii) depreciation, depletion and amortization expenses; (iv) any other noncash charges or losses (including non-cash stock option costs and non-cash losses on the sale of assets); and (v) any extraordinary, unusual, or non-recurring expenses, losses or charges, and *minus*, to the extent included in determining Consolidated Net Earnings for such period, any non-cash, extraordinary, unusual or non-recurring income or gains; *provided that*, for purposes of calculating EBITDA for any period of four consecutive fiscal quarters (each, a **"Reference Period"**) pursuant to any determination of any financial ratio, if at any time during such Reference Period (x) the Borrower or any Restricted Subsidiary has made an Acquisition or Divestiture in an amount greater than \$5,000,000, then EBITDA for such Reference Period shall be calculated after giving effect to such Acquisition or Divestiture on a Pro Forma Basis as if it had occurred on the first day of such Reference Period, and after giving effect to any credit received for costs and savings associated with such transaction that are permitted by the Securities and Exchange Commission to be included in pro forma financial statements filed therewith; or (y) a Subsidiary is redesignated as either an Unrestricted Subsidiary or a Restricted Subsidiary, then EBITDA for such Reference Period shall be determined after giving effect to such redesignation on a Pro Forma Basis as if it had occurred on the first day of such Reference Period.

"ECF Percentage" has the meaning specified in [Section 2.04\(b\)\(i\)](#).

"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 delegatee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under [Section 10.06\(b\)\(iii\)](#) and (v) (subject to such consents, if any, as may be required under [Section 10.06\(b\)\(iii\)](#)).

"Environmental Laws" means any and all Federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) 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.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that is treated as a single employer together with the Borrower under section 414(b), (c), (m) or (o) of the Code.

"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.

"Eurodollar Rate" means:

(a) for any Interest Period with respect to a Eurodollar Rate Committed Loan, the rate per annum equal to the London Interbank Offered Rate ("LIBOR") or a comparable or successor rate (determined as set forth clause (i) of the proviso below), which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Committed Loan on any date, the rate per annum equal to LIBOR, at or about 11:00 a.m., London time determined two Business Days prior to such date for U.S. Dollar deposits with a term of one month commencing that day;

provided that (i) if "LIBOR" does not exist or if the U.K. Financial Conduct Authority has implemented a policy that the LIBOR (or any component thereof) is no longer permitted to be a benchmark rate, such rate will be (x) a comparable successor or alternative interbank rate for deposits in Dollars that is, at such time, broadly accepted by the loan market in lieu of "LIBOR" and that is reasonably acceptable to the Administrative Agent or (y) solely if no such broadly accepted comparable successor interbank rate exists at such time, a successor or alternative index rate as the Administrative Agent may reasonably determine in light of prevailing market practices; (ii) to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied in a manner consistent with

market practice; provided, further that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent and (iii) if the Eurodollar Rate shall be less than one percent (1%), such rate shall be deemed one percent (1%) for the purposes of this Agreement.

"Eurodollar Rate Committed Loan" means a Committed Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate."

"Event of Default" has the meaning specified in Section 8.01.

"Excess Cash Flow" means, for any fiscal year, an amount equal to:

(a) the sum, without duplication, of:

(i) Consolidated Net Earnings for such period;

(ii) the amount of all non-cash charges (including depreciation and amortization) to the extent deducted in arriving at such Consolidated Net Earnings (excluding any such non-cash charge to the extent that it represents an accrual or reserve for a potential cash charge in any future fiscal year or amortization of a prepaid cash gain that was paid in a prior fiscal year);

(iii) the amount of the decrease, if any, in Consolidated Adjusted Working Capital for such fiscal year; and

(iv) the aggregate amount of non-cash losses on the Disposition of property by the Borrower and its Restricted Subsidiaries during such fiscal year (other than sales of inventory in the ordinary course of business), to the extent deducted in arriving at such Consolidated Net Earnings; minus

(b) the sum, without duplication, of:

(i) the amount of all non-cash credits included in arriving at such Consolidated Net Earnings;

(ii) Capital Expenditures made by the Borrower and its Restricted Subsidiaries in cash during such fiscal year, in each case, except to the extent funded by the incurrence of long-term Indebtedness or from equity contributions made to, or the proceeds of Equity Interests issued by, the Borrower;

(iii) the aggregate amount of all regularly scheduled or mandatory principal payments of funded Indebtedness (including, without limitation, the Committed Loans) made by the Borrower and its Restricted Subsidiaries in cash during such fiscal year (other than in respect of any revolving credit facility unless there is an equivalent scheduled permanent reduction in commitments thereunder), in each case, except to the extent funded by the incurrence of long-term Indebtedness or from equity contributions made to, or the proceeds of Equity Interests issued by, the Borrower;

(iv) the amount of the increase, if any, in Consolidated Adjusted Working Capital for such fiscal year; and

(v) the aggregate amount of non-cash gains on the Disposition of property by the Borrower and its Restricted Subsidiaries during such fiscal year (other than sales of inventory in the ordinary course of business), to the extent included in arriving at such Consolidated Net Earnings.

"Excluded Assets" has the meaning specified in the Security Agreement.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to 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 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 Committed Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Committed Loan or Commitment (other

than pursuant to an assignment request by the Borrower under Section 10.13) pursuant to Section 3.06(b) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing Credit Agreement" means the Credit Agreement dated as of June 27, 2006 among the Borrower, the foreign subsidiaries of the Borrower from time to time party thereto as borrowers, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, Bank of America, National Association and Wells Fargo Bank, N.A., as syndication agents, and J.P. Morgan Securities Inc. and Banc of America Securities LLC, as co-lead arrangers and co-bookrunners, as such agreement was amended on December 15, 2006, October 29, 2010, September 30, 2014, July 1, 2016 and December 22, 2016, and may have been further amended, restated, supplemented, refinanced or reduced from time to time, and any successor credit agreement or similar facility.

"Expense and Reimbursement Letter" means that certain Exclusivity and Expense Reimbursement Letter, dated May 31, 2018 among the Borrower and Blackstone Alternative Credit Advisors LP, as amended, supplemented or modified from time to time.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Borrower in the case of amounts of \$25,000,000 or more for such transaction or a series of related transactions and otherwise by an officer of the Borrower (unless otherwise provided in this Agreement).

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"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 agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreement.

"FCPA" means the Foreign Corrupt Practices Act of 1977, as amended.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent and (c) if the Federal Funds Rate shall be less than zero, such rate shall be deemed zero for the purposes of this Agreement.

"Fee Letters" means (i) the fee letter, dated as of the Closing Date, between Blackstone Alternative Credit Advisors LP and the Borrower, (ii) the fee letter, dated as of the Closing Date, between CPPIB and the Borrower and (iii) the fee letter, dated as of the Closing Date, between the Administrative Agent and the Borrower.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (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 Rate, as applicable. For the avoidance of doubt, the initial Floor for the Adjusted Term SOFR Rate and Daily Simple SOFR shall be 1.00%.

"Foreign Lender" means a Lender that is not a U.S. Person.

"Foreign Subsidiary" means any Subsidiary which is not a Domestic Subsidiary.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Governmental Authority" means the government of the United States or any other nation, or of 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 (including any supra-national bodies such as the European Union or the European Central Bank).

"Blackstone" means, collectively, *Blackstone Alternative Credit Advisors LP together with its Affiliates and any funds that are administered, advised or managed by it*.

"Blackstone Group" means *Blackstone, its Affiliates and funds managed, advised or sub-advised by Blackstone or any of its affiliates*.

"Guaranty" means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such Person:

- (a) to purchase such indebtedness or obligation or any property constituting security therefor;
- (b) to advance or supply funds (i) for the purchase or payment of such indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;
- (c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or
- (d) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"Hazardous Material" means any and all pollutants, toxic or hazardous wastes or any other substances that might pose a hazard to health or safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage, or filtration of which is or shall be restricted, prohibited or penalized by any applicable law (including, without limitation, asbestos, urea formaldehyde foam insulation and polychlorinated biphenyls).

"Hedging Contracts" means, with respect to any specified Person:

- (i) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements;
- (ii) foreign exchange contracts and currency protection agreements;
- (iii) any commodity futures contract, commodity option or other similar agreement or arrangement designed to protect against fluctuations in the price of commodities used, produced, processed or sold by that Person or any of its Restricted Subsidiaries at the time;
- (iv) hedging agreements or arrangements relating to Equity Interests of the Borrower or any of its Restricted Subsidiaries entered into in connection with the issuance of convertible debt securities by the Borrower or any of its Restricted Subsidiaries; and

(v) other agreements or arrangements designed to manage interest rates or interest rate risk or protect such Person or any of its Restricted Subsidiaries against fluctuations in commodity prices or currency exchange rates.

"Indebtedness" with respect to any Person means, at any time, without duplication,

- (a) all obligations of such Person for borrowed money;
- (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments;
- (c) all payment obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person;
- (d) all payment obligations of such Person in respect of the deferred purchase price of property acquired by such Person (excluding current accounts payable);
- (e) 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 property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed;
- (f) all Guarantees of such Person of Indebtedness of others of the kinds referred to in clauses (a), (b), (d), (g) and (h) of this definition;
- (g) all liabilities appearing on such Person's balance sheet in accordance with GAAP in respect of Capital Leases;
- (h) all liabilities of such Person as an account party in respect of letters of credit and letters of guaranty; and
- (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances;

providedhowever, that Indebtedness shall not include normal operating liabilities accrued in the ordinary course of business. 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 (i) to the extent the terms of such Indebtedness provide that such Person is not liable therefor, and (ii) that no Loan Party shall be deemed liable for any Indebtedness of Compressco solely arising from the ownership of CSI Compressco LP by CSI Compressco GP. For all purposes of this Agreement, Indebtedness shall be calculated at its stated principal amount, without regard to the effect of utilizing FASB No. 159 (Fair Value Option for Financial Assets and Financial Liabilities).

"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 Loan Party under any Loan Document and (b) to the extent not otherwise described in clause(a), Other Taxes.

"Indemnitee" has the meaning specified in Section 10.04(b).

"Information" has the meaning specified in Section 10.07.

"Initial Committed Loans" has the meaning specified in Section 2.01.

"Intellectual Property Security Agreement" means that certain intellectual property security agreement, dated as of the date hereof, among the Borrower, the Administrative Agent, and each of the other Loan Parties party thereto, as amended, amended and restated, restated, supplemented or otherwise modified from time to time.

"Interest Expense" means, for any period, total cash interest expense (including imputed interest on Capital Leases and amounts, both positive and negative, attributable to interest expense incurred under Swaps) accruing on Indebtedness of the Borrower and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP.

"Interest Coverage Ratio" means, as of the last day of any fiscal quarter, the ratio of (i) EBITDA for the applicable period to (ii) Interest Expense for the applicable period, in each case for the 12 months then ending and determined on a consolidated basis for the Borrower and its consolidated Restricted Subsidiaries.

"Interest Payment Date" means, (a) as to any Committed Loan other than a Base Rate Committed Loan, the last day of each Interest Period applicable to such Committed Loan and the Scheduled Maturity Date; provided, however, that if any Interest Period for a **Eurodollar** **SOFR** Rate Committed Loan exceeds three months, the respective dates that

fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Committed Loan, the last Business Day of each March, June, September and December and the Scheduled Maturity Date.

"Interest Period" means, as to each **Eurodollar SOFR** Rate Committed Loan, the period commencing on the date such **Eurodollar SOFR** Rate Committed Loan is disbursed or converted to or continued as a **Eurodollar SOFR** Rate Committed Loan and ending on the date one, three or six months thereafter (in each case, subject to availability), as selected by the Borrower in its Committed Loan Notice, or such other period that is twelve months or less requested by the Borrower and consented to by all the Lenders; provided that:

- (i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a **Eurodollar SOFR** Rate Committed Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;
- (ii) any Interest Period pertaining to a **Eurodollar SOFR** Rate Committed Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and
- (iii) no Interest Period shall extend beyond the Scheduled Maturity Date.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests or debt or other securities of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of Indebtedness of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person.

"IRS" means the United States Internal Revenue Service.

"Joint Venture" means any Person that is not a direct or indirect Subsidiary of the Borrower in which the Borrower or any of its Restricted Subsidiaries makes any Investment.

"Laws" means, collectively, any law, statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, rules of common law, authorization or other directive or requirement, whether now or hereinafter in effect, of any Governmental Authority.

"Lender" has the meaning specified in the introductory paragraph hereto.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Leverage Ratio" means the ratio of (a) Consolidated Funded Indebtedness as of the end of any fiscal quarter to (b) EBITDA for the 12 months then ended.

"Lien" means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

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"Loan Documents" means this Agreement, each Note, the Subsidiary Guaranty, the Collateral Documents, the Fee Letters, the Perfection Certificate, and all other material certificates, documents or instruments delivered in connection with this Agreement, as the foregoing may be amended from time to time.

"Loan Parties" means, collectively, the Borrower, each Subsidiary Guarantor and each Non-Recourse Pledgor.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Material" means material in relation to the business, operations, affairs, financial condition, assets or properties of the Borrower and its Restricted Subsidiaries taken as a whole.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Borrower and its Restricted Subsidiaries taken as a whole, or (b) the ability of the Borrower to perform its obligations under this Agreement and the other Loan Documents, or (c) the ability of the Subsidiary Guarantors taken as a whole to perform their obligations under the Subsidiary Guaranty and the other Loan Documents to which the Subsidiary Guarantors are a party or (d) the validity or enforceability of this Agreement or the Subsidiary Guaranty.

"Material Domestic Subsidiary" means any Restricted Subsidiary that (a) is a Domestic Subsidiary and, together with its own consolidated Restricted Subsidiaries, either (i) owns or holds assets with an aggregate value greater than two and one-half percent (2.5%) of the aggregate value of all the assets of the Borrower and its Restricted Subsidiaries on a consolidated basis, or (ii) has gross revenues in excess of two and one-half percent (2.5%) of the gross revenues of the Borrower and its Restricted Subsidiaries on a consolidated basis, in each case based on the most recent consolidated financial statements of the Borrower; *provided that if (x) the aggregate value of all the assets of all Restricted Subsidiaries that would not constitute Material Domestic Subsidiaries exceeds five percent (5%) of the aggregate value of all of the assets of the Company and its Restricted Subsidiaries, on a consolidated basis, or (y) the gross revenues of all Restricted Subsidiaries that would not constitute Material Domestic Subsidiaries exceeds five percent (5%) of the gross revenues of the Borrower and its Restricted Subsidiaries, on a consolidated basis, then in each case one or more of such excluded Restricted Subsidiaries shall for all purposes of this Agreement be deemed to be Material Domestic Subsidiaries in descending order based on the aggregate value of their assets or their gross revenues until such excess has been eliminated, or (b) is a guarantor with respect to the ABL Facility. Notwithstanding anything in this definition to the contrary, no UK Borrower shall be deemed to be a Material Domestic Subsidiary for purposes of this Agreement or any other Loan Document.*

"Maximum Facility Amount" means \$275,000,000.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Multiemployer Plan" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

"Net Available Cash" from a Disposition of assets means cash payments received as proceeds from such Disposition, net of:

- (a) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses incurred, and all federal, state, provincial, foreign and local taxes required to be paid or accrued as a liability under GAAP (after taking into account any available tax credits or deductions and any tax sharing agreements), as a consequence of such Disposition;
- (b) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures or to holders of royalty or similar interests as a result of such Disposition; and
- (c) the deduction of appropriate amounts to be provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the assets disposed of in such Disposition and retained by the Borrower or any Subsidiary after such Disposition.

"Net Debt Issuance Proceeds" means an amount equal to, with respect to any incurrence of any Indebtedness of the Borrower or any Restricted Subsidiary, the cash payments received by the Borrower or any of the Restricted Subsidiaries from such incurrence of Indebtedness, less all legal, accounting, investment banking, commissions and other fees and expenses incurred in connection with or related to such incurrence of Indebtedness.

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"Net Equity Issuance Proceeds" means, in connection with any issuance of any Equity Interests, the cash proceeds received from such issuance, net of attorneys' fees, investment banking fees, accountants' fees, consulting fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection therewith.

"Net Recovery Proceeds" means, with respect to any Recovery Event, an amount equal to the cash payments received by the Borrower or any of the Restricted Subsidiaries from such Recovery Event, net of (i) reasonable costs and expenses associated therewith, including fees and expenses of attorneys, accountants, insurance adjusters, appraisers, environmental consultants, engineers, architects and other professionals and consultants, (ii) any tax liability arising therefrom and (iii) amounts applied to the repayment of Indebtedness permitted under Section 7.02 (other than the Obligations and the Indebtedness described in Section 7.02(b)) secured by a Lien permitted under Section 7.04 on the property subject to such Recovery Event.

"Non-Recourse Debt" means Indebtedness:

- (a) as to which neither the Borrower nor any of its Restricted Subsidiaries (i) provides credit support of any kind (including any undertaking, Subsidiary Guaranty, indemnity, agreement or instrument that would constitute Indebtedness) or (ii) is directly or indirectly liable as a guarantor or otherwise, in each case of clauses (i) and (ii) above, except for Customary Recourse Exceptions; and

(b) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of time or both any holder of any other Indebtedness (other than the Committed Loans) of the Borrower or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its stated maturity.

"Non-Recourse Pledgor" means each Compressco Unit Holding Subsidiary (other than a Subsidiary that owns only general partner interests and/or Series A Preferred Units in Compressco and does not own any common units or incentive distribution rights in Compressco) that is not required to be a Subsidiary Guarantor hereunder.

"Note" means a promissory note made by the Borrower in favor of a Lender evidencing Committed Loans made by such Lender, substantially in the form of **Exhibit B**.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Committed Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"OFAC" has the meaning specified in **Section 5.15(a)**.

"OFAC Listed Person" has the meaning specified in **Section 5.15(a)**.

"Omnibus Agreement" means that certain Omnibus Agreement, dated as June 20, 2011, by and among, the Borrower, Compressco Partners GP Inc., a Delaware corporation, and Compressco Partners L.P., a Delaware limited partnership, as amended by the First Amendment to Omnibus Agreement, dated as of June 20, 2014.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"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 Tax (other than connections 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 Committed Loan or 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 3.06**).

"Outstanding Amount" means with respect to Committed Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Committed Loans occurring on such date.

"Participant" has the meaning specified in **Section 10.06(b)**.

"Participant Register" has the meaning specified in **Section 10.06(d)**.

"Patriot Act" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Perfection Certificate" means that certain Perfection Certificate dated as of September 10, 2018, executed by the Loan Parties and addressed to the Administrative Agent.

"Permitted ABL Assignee" means (i) at any time an "Event of Default" under the Closing Date ABL Credit Agreement is not continuing, commercial banks or other institutions that originate asset-based credit facilities or otherwise make commercial loans under asset-based credit facilities in the ordinary course of business (excluding hedge funds and affiliates of hedge funds) and (ii) at any time after the occurrence and during the continuance of an "Event of Default" under the Closing Date ABL Credit Agreement, any Person that does not constitute a "Disqualified Lender" (as defined in the Term/ABL Intercreditor Agreement), subject to the right of the Term Loan Representative (as defined in the Term ABL Intercreditor Agreement) to provide or update the list of "Disqualified Lenders" pursuant to the terms of the Term/ABL Intercreditor Agreement.

"Permitted Investments" means:

- (a) any Investment in the Borrower or in a Restricted Subsidiary;
- (b) any Investment in Cash Equivalents subject to control agreements in favor of the Administrative Agent for the benefit of the Secured Parties or otherwise subject to a perfected security interest in favor of the Administrative Agent for the benefit of the Secured Parties to the extent required under Section 6.18;
- (c) any Investment by the Borrower or any Restricted Subsidiary in a Person, if as a result of such Investment:
 - (i) such Person becomes a Restricted Subsidiary; or
 - (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its properties or assets to, or is liquidated into, the Borrower or a Restricted Subsidiary;
- (d) any Investment made as a result of the receipt of non-cash consideration from a Disposition of assets that was made pursuant to and in compliance with Section 7.06;
- (e) any Investment in any Person (except to the extent of cash payments in lieu of fractional shares) in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Borrower;
- (f) any Investment received in compromise or resolution of (i) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Borrower or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer, or as a result of a foreclosure by, or other transfer of title to, the Borrower or any of its Restricted Subsidiaries with respect to any secured Investment in default, or (ii) litigation, arbitration or other disputes;

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- (g) Investments represented by obligations under Hedging Contracts permitted under Section 7.17;
- (h) Investments in any Person to the extent such Investments consist of prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and other deposits made in the ordinary course of business by the Borrower or any of its Restricted Subsidiaries;
- (i) advances to or reimbursements of employees for moving, entertainment and travel expenses, drawing accounts and similar expenditures in the ordinary course of business;
- (j) loans or advances to officers, directors or employees made in the ordinary course of business or consistent with past practice of the Borrower or any Restricted Subsidiary in an aggregate principal amount not to exceed \$2,500,000 at any one time outstanding;
- (k) Investments made with Declined Amounts so long as no Default or Event of Default exists at the time of such Investment or would immediately result therefrom;
- (l) receivables owing to the Borrower or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided, however,* that such trade terms may include such concessionary trade terms as the Borrower or any such Restricted Subsidiary deems reasonable under the circumstances;
- (m) the CarbonFree Investment;
- (n) any Investment existing on, or made pursuant to binding commitments existing on, the Closing Date and disclosed on Schedule 1.01(a) hereto; *provided* that the amount of any such Investment may be increased as required by the terms of such Investment as in existence on the Closing Date;
- (o) surety and performance bonds and workers' compensation, utility, lease, tax, performance and similar deposits and prepaid expenses in the ordinary course of business;
- (p) Guaranties by the Borrower or any of its Restricted Subsidiaries of operating leases (other than obligations with respect to Capital Leases) or of other obligations that do not constitute Indebtedness, in each case entered into by the Borrower or any such Restricted Subsidiary in the ordinary course of business;
- (q) [Reserved];
- (r) Investments received as a result of a foreclosure by the Borrower or any of its Restricted Subsidiaries with respect to any secured Investment in default; and

(s) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby,

(i) other Investments in any Person other than Compressco (including Investments in any Joint Venture) to the extent that after giving effect to the making of such Investments on a Pro Forma Basis, together with all other Investments then outstanding under this sub-clause (i), on the date such Investment is made and all related transactions are consummated, the aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value) of such Investments does not exceed (A) if the Leverage Ratio calculated on a Pro Forma Basis is less than 3.00:1.00 but greater than 2.50:1.00, \$15,000,000 and (B) if the Leverage Ratio calculated on a Pro Forma Basis is less than or equal to 2.50:1.00, \$30,000,000; and

(ii) so long as none of Compressco or any of its Subsidiaries (A) is in default (as principal or as guarantor other surety) in the payment of any principal of or premium or make-whole amount or breakage amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least \$10,000,000 beyond any period of grace provided with respect thereto, (B) is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of least \$10,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists and as a consequence of such default or condition such Indebtedness has become, or has been declared (or one or more Persons are entitled to declare such Indebtedness to be), due and payable before its stated maturity or before its regularly scheduled dates of payment, or (C) as a consequence of the occurrence or continuation of any event or condition (other than the passage of time or the right of the holder of Indebtedness to convert such Indebtedness into Equity)

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Interests), (1) has become obligated to purchase or repay Indebtedness before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least \$10,000,000, or (2) one or more Persons have the right to require Compressco or any of its Subsidiaries so to purchase or repay such Indebtedness, Investments in Compressco to the extent that after giving effect to the making of such Investments on a Pro Forma Basis, together with all other Investments outstanding under this sub-clause (ii), on the date such Investment is made and all related transactions are consummated, the aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value) of such Investments does not exceed (x) if the Leverage Ratio calculated on a Pro Forma Basis is less than 3.00:1.00 but greater than 2.50:1.00, \$25,000,000 and (y) if the Leverage Ratio calculated on a Pro Forma Basis is less than or equal to 2.50:1.00, \$50,000,000;

provided that, if any Investment pursuant to this clause (s) is made in any Person that is not a Restricted Subsidiary at the date of the making of such Investment and such Person becomes a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (a) above and shall cease to have been made pursuant to this clause (s) for so long as such Person continues to be a Restricted Subsidiary.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Borrower or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease, refund, discharge or otherwise retire for value, in whole or in part (collectively, a "Refinancing," and the term "Refinanced" has a correlative meaning) any other Indebtedness of the Borrower or any of its Restricted Subsidiaries (other than intercompany Indebtedness) in a principal amount not to exceed (after deduction of reasonable and customary fees and expenses incurred in connection with the Refinancing) the lesser of:

(a) the principal amount of the Indebtedness so Refinanced (plus, in the case of Indebtedness, the amount of premium, if any paid in connection therewith); and

(b) if the Indebtedness being Refinanced was issued with any original issue discount, the accreted value of such Indebtedness (as determined in accordance with GAAP) at the time of such Refinancing.

Notwithstanding the preceding, no Indebtedness will be deemed to be Permitted Refinancing Indebtedness, unless:

(i) such Indebtedness, has a final maturity date no earlier than the final maturity date, as applicable, of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being Refinanced;

(ii) if the Indebtedness being Refinanced is contractually subordinated or otherwise junior in right of payment to the Committed Loans or the Subsidiary Guaranty, such Indebtedness (and any related Guaranty) is contractually subordinated or otherwise junior in right of payment to the Committed Loans or the Subsidiary Guaranty on terms at least as favorable to the Lenders as those contained in the documentation governing such Indebtedness;

(iii) such Indebtedness is incurred or issued by the Borrower or such Indebtedness is incurred or issued by a Restricted Subsidiary who is the obligor on the Indebtedness being Refinanced; provided that a Restricted Subsidiary that is also a Subsidiary Guarantor may guarantee Permitted Refinancing Indebtedness incurred by the Borrower, regardless of whether such Restricted Subsidiary was an obligor or guarantor of the Indebtedness being Refinanced;

(iv) the terms and conditions of such Indebtedness (other than with respect to pricing, premiums, fees, rate floors and conversion features) are not, taken as a whole, more favorable to the lenders or holders providing such Indebtedness than the terms and conditions of this Agreement; provided, however, that notwithstanding the foregoing, the Borrower may incur such Indebtedness the terms and conditions of which are, taken as a whole, more favorable to the lenders or holders providing such

Indebtedness than the terms and conditions of this Agreement, to the extent that this Agreement and any other applicable Loan Document are amended to reflect such more favorable terms and conditions;

- (v) with respect to any Refinancing of the ABL Facility, such Indebtedness is provided by lenders that are commercial banks; and
- (vi) otherwise the terms and conditions of such Indebtedness and the incurrence thereof do not have a material adverse effect on the Lenders' rights and interests hereunder (and without limiting the

generality of the foregoing, any restrictions on the Lenders' ability to receive full cash payments of interest due hereunder shall be deemed to have such a material adverse effect on the Lenders).

"Plan" means an "employee benefit plan" (as defined in section 3(3) of ERISA) that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by the Borrower or any ERISA Affiliate or with respect to which the Borrower or any ERISA Affiliate may have any liability.

"Pledged Compressco Units" means (a) prior to June 30, 2021, Compressco Units representing limited partner Equity Interests in and to Compressco together with any warrants, options, common units, subordinated units, preferred units, incentive distribution rights or other rights entitling any entity to purchase or acquire any such units but excluding general partner interests and (b) on or after June 30, 2021, Compressco Units together with any warrants, options, common units, subordinated units, preferred units, incentive distribution rights or other rights entitling any entity to purchase or acquire any such units; *provided, however,* that Pledged Compressco Units shall not at any time include any Series A Preferred Units but shall include any limited partner Equity Interests into which the Series A Preferred Units are converted.

"Person" means any natural person, corporation, limited liability company (or series thereof), trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Platform" means IntraLinks or another similar electronic system.

"Prepayment Acceptance Notice" has the meaning specified in Section 2.04(b)(vi).

"Prepayment Offer" has the meaning specified in Section 2.04(b)(vi).

"Pro Forma Basis" means, in connection with any calculation of compliance with any financial covenant or term, the calculation thereof after giving effect on a pro forma basis to the change in such calculation required by the applicable provision hereof, and otherwise on a basis in accordance with GAAP as used in the preparation of the latest financial statements provided pursuant to Section 6.01(a) and 6.01(b) and otherwise reasonably satisfactory to the Required Lenders.

"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.

"Recipient" means the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Recovery Event" means any settlement of or payment in respect of any property or casualty insurance claim or any condemnation proceeding relating to any asset of the Borrower or any Restricted Subsidiary, but excluding all identifiable amounts constituting compensation for lost earnings or revenues.

"Reference Period" has the meaning specified in the defined term "EBITDA".

"Reference Time" means with respect to any setting of the then-current Benchmark, 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.

"Refinancing" and **"Refinanced"** have the meaning specified in the definition of Permitted Refinancing Indebtedness.

"Register" has the meaning specified in Section 10.06(c).

"Related Businesses" means the lines of business in which the Borrower and the Subsidiaries are engaged, as described in the public filings of the Borrower with the Securities and Exchange Commission through the Closing Date, together with those businesses that are reasonably related thereto.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means the FRB and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the FRB and/or the Federal Reserve Bank of New York or, in each case, any successor thereto.

"Removal Effective Date" has the meaning specified in Section 9.06(b).

"Required Lenders" means, as of any date of determination, (a) if Blackstone holds 50% or more of the aggregate of the Aggregate Commitments and Total Outstandings, Blackstone and (b) if Blackstone holds less than 50% of the aggregate of the Aggregate Commitments and Total Outstandings, Lenders having 50% or more of the aggregate of the Aggregate Commitments and Total Outstandings or, if the commitment of each Lender to make Committed Loans have expired or been terminated, Lenders holding in the aggregate 50% or more of the Total Outstandings; provided that the Commitment of, and the portion of the Total Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"Resignation Effective Date" has the meaning specified in Section 9.06(a).

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Responsible Officer" means any Senior Financial Officer and any other officer of the Borrower with responsibility for the administration of the relevant portion of this Agreement. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Investment" means any Investment other than a Permitted Investment.

"Restricted Payment" has the meaning specified in Section 7.11(a).

"Restricted Subsidiary" means any Subsidiary (a) of which at least a majority of the voting securities are owned by the Borrower and/or one or more Restricted Subsidiaries and (b) that is not listed in the definition of an Unrestricted Subsidiary below or that the Borrower has not designated an Unrestricted Subsidiary by notice in writing given to the Administrative Agent pursuant to Section 7.08.

"Sale and Leaseback Transaction" has the meaning specified in Section 7.16.

"Sanctions" means any international economic sanction administered or enforced by the United States Government (including, without limitation, the Office of Foreign Assets Control), the United Nations Security Council, the European Union, Her His Majesty's Treasury of the United Kingdom or other relevant sanctions authority.

"Sanctioned Country" means any country or territory to the extent that such country or territory itself is the subject of any Sanctions.

"Sanctioned Person" has the meaning specified in Section 5.15(a).

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

"Scheduled Maturity Date" means the date that is seven years after the Closing Date; provided, however, that if such date is not a Business Day, the Scheduled Maturity Date shall be the immediately preceding Business Day.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Parties" means, collectively, the Administrative Agent, the Lenders and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.05.

"Securities Account Control Agreement" has the meaning assigned to such term in the Security Agreement.

"Security Agreement" means that certain Security Agreement, dated as of the date hereof, among the Borrower, the Administrative Agent, and each of the other Loan Parties party thereto, as amended, amended and restated, restated, supplemented or otherwise modified from time to time.

"Senior Financial Officer" means the chief financial officer, principal accounting officer, treasurer or comptroller of the Borrower.

"Series A Preferred Units" means the "Series A Preferred Units" as defined in the Second Amended and Restated Agreement of Limited Partnership of CSI Compressco LP dated as of August 8, 2016, as amended, restated or otherwise modified from time to time.

"SLI Shares" means any Equity Interests in Standard Lithium Ltd.

"SLI Specified Prepayment" has the meaning specified in [Section 2.04\(b\)\(ii\)](#).

"SOFR Rate" means *a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.*

"SOFR Administrator" means *the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).*

"SOFR Administrator's Website" means *the Federal Reserve Bank of New York'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 Committed Loan" means *a Committed Loan that bears interest at a rate based on the Adjusted Term SOFR Rate.*

"SOFR Rate Day" has the meaning specified in the definition of "Daily Simple SOFR".

"Solvent" and **"Solvency"** mean, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities (including contingent liabilities) beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Prepayment" means the principal payment in respect of the Committed Loans in an amount at least equal to \$8,157,000.00 occurring on or about July 30, 2021.

"Subsidiary" means, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership, limited liability company or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership, limited liability company or joint venture can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Borrower. Notwithstanding anything herein to contrary, Compressco shall be deemed to be a Subsidiary of the Borrower so long as (i) Borrower and/or one or more of its Restricted Subsidiaries own and control CSI Compressco GP Inc. and (ii) CSI Compressco GP, Inc. (or one of its Subsidiaries) owns and controls a majority of the general partnership interests of Compressco.

"Subsidiary Guarantor" means any Subsidiary of the Borrower that executes and delivers, or becomes a party to, the Subsidiary Guaranty. For the avoidance of doubt, any Domestic Subsidiary that is a Restricted Subsidiary shall be a Subsidiary Guarantor.

"Subsidiary Guaranty" means that certain Subsidiary Guaranty, dated as of the date hereof, among the Subsidiary Guarantors and the Administrative Agent, as amended, amended and restated, restated, supplemented or otherwise modified from time to time.

"Subordinated Debt" means all Indebtedness of a Person that has been subordinated on the terms and conditions set forth on [Exhibit E](#) or such other terms as approved by the Required Lenders, in their sole discretion, to all of the Obligations, whether now existing or hereafter incurred. Indebtedness shall not be considered as "Subordinated Debt" unless and until the Administrative Agent shall have received copies of the documentation evidencing or relating to such Indebtedness.

"Swap" means any agreement with respect to any swap, forward, future 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; but 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 the Borrower or any Restricted Subsidiary shall be a Swap.

"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/ABL Intercreditor Agreement" means the Intercreditor Agreement, dated as of the Closing Date, by and among, the Administrative Agent, the ABL Administrative Agent and the Loan Parties from time to time party thereto, in substantially the form of Exhibit E or otherwise satisfactory to the Required Lenders.

"Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR Reference Rate".

"Term SOFR Rate" means, with respect to 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 the SOFR Rate. If by 5:00 p.m. (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.

"Third Amendment Effective Date" means December 17, 2021.

"Total Outstandings" means the aggregate Outstanding Amount of all Committed Loans.

"Type" means with respect to a Committed Loan, its character as a Base Rate Committed Loan or a **Eurodollar** **SOFR** Rate Committed Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; **provided** that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"UK Borrowers" has the meaning assigned to such term in the ABL Credit Agreement.

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"UK Borrower Collateral" means all of the assets and properties of the UK Borrowers that constitute collateral security for the ABL Facility.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"United States" and **"U.S."** mean the United States of America.

"Unrestricted Subsidiary" means any Subsidiary of the Borrower that (a) has been so designated by notice in writing given to the Administrative Agent (for distribution to the Lenders), (b) is listed below, and (c) any other subsidiary of any Unrestricted Subsidiary now existing or hereafter formed or created:

- (a) CSI Compressco GP Inc.
- (b) CSI Compressco LP
- (c) CSI Compressco Investment LLC

"UK Financial Institution" 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](#)

["U.S. Government Securities Business Day" means any day except for \(a\) a Saturday, \(b\) a Sunday or \(c\) 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 any Person that is a "United States Person" as defined in Section 7701\(a\)\(30\) of the Code.](#)

["U.S. Tax Compliance Certificate" has the meaning assigned to such term in \[Section 3.01\\(e\\)\\(ii\\)\\(B\\)\\(3\\)\]\(#\).](#)

["USA PATRIOT Act" means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism \(USA PATRIOT ACT\) Act of 2001, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.](#)

["Voting Stock" means, with respect to any Person, any class of shares of stock or other Equity Interests of such Person having general voting power under ordinary circumstances to elect a majority of the board of directors or other managing entities, as appropriate, of such Person \(irrespective of whether or not at the time stock of any other class or classes or other Equity Interests of such Person shall have or might have voting power by reason of the happening of any contingency\).](#)

["Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:](#)

[\(a\) the sum of the products obtained by multiplying \(i\) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by \(ii\) the number of years \(calculated to the nearest one-twelfth\) that will elapse between such date and the making of such payment; by](#)

[\(b\) the then outstanding principal amount of such Indebtedness.](#)

["Wholly Owned Restricted Subsidiary" means, at any time, any Restricted Subsidiary 100% of all of the Equity Interests \(except directors' qualifying shares\) and voting interests of which are owned by any one or more of the Borrower and the Borrower's other Wholly Owned Restricted Subsidiaries at such time.](#)

["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.](#)

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

[\(a\) 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 "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, \(i\) any definition of or reference to any agreement, instrument or other document \(including any Organization Document\) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified \(subject to any restrictions on, or consent requirements of the Administrative Agent or Lenders with respect to, such amendments, supplements or modifications set forth herein or in any other Loan Document\), \(ii\) any reference herein to any Person shall be construed to include such Person's successors and assigns, \(iii\) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, \(iv\) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, \(v\) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and \(vi\) 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.](#)

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including," the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, Restricted Subsidiary, Unrestricted Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

(d) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) **Generally.** All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) **Changes in GAAP.** If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Administrative Agent); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the

Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) **Capital Leases.** Notwithstanding anything herein to the contrary, any obligations of a Person that are or would be characterized as an operating lease as determined in accordance with GAAP as in effect on the Closing Date (whether or not such operating lease was in effect on such date) shall continue to be accounted for as an operating lease (and not as a Capital Lease) for purposes of this Agreement regardless of any change in GAAP following the Closing Date that would otherwise require such obligation to be recharacterized as a capital lease obligation.

1.04 Rounding Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to Base Rate, the Benchmark, any component definition thereof or rates referred to in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Base Rate, the Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of Base Rate, the Benchmark, any component definition thereof or rates referred to in the definition thereof, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain Base Rate or the Benchmark, or any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, 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.

1.05 Rounding

. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.06 1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Article II
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Committed Loans.

Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans to the Borrower (i) on the Closing Date in an amount equal to each Lender's pro rata share of \$200,000,000 (any such loans, the "Initial Committed Loans") and (ii) from time to time, on any Business Day following the Closing Date during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment (any such loans, the "Additional Committed Loans" and, together with the Initial Committed Loans, the "Committed Loans"); provided, however, that after giving effect to any Committed Borrowing, (i) the Total Outstandings shall not exceed the lesser of (a) the Maximum Facility Amount and (b) the Aggregate Commitments and (ii) the aggregate Outstanding Amount of the Committed Loans of any Lender shall not exceed such Lender's Commitment (it being understood that notwithstanding any original issue or other discount that reduces the amount funded on the date of any Committed Borrowing of Committed Loans, all calculations hereunder with respect to such Committed Loans, including the accrual of interest and the repayment or prepayment of principal, shall be based on 100% of the stated principal amount thereof. Amounts repaid or prepaid in respect of Committed Loans may not be re-borrowed. Committed Loans may be Base Rate Committed Loans or **Eurodollar****SOFR** Rate Committed Loans, as further provided herein. Additional Committed Loans shall be in minimum increments of \$5,000,000.

2.02 Committed Borrowings, Conversions and Continuations of Committed Loans.

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(a) Each Committed Borrowing, each conversion of Committed Loans from one Type to the other, and each continuation of **Eurodollar****SOFR** Rate Committed Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone, or (B) a Committed Loan Notice; provided that any telephone notice must be confirmed immediately by delivery to the Administrative Agent of a Committed Loan Notice. Each such Committed Loan Notice must be received by the Administrative Agent not later than (i) 12:00 noon three Business Days prior to the requested date of any Committed Borrowing of Initial Committed Loans to the extent consisting of **Eurodollar****SOFR** Rate Committed Loans, any conversion to or continuation of **Eurodollar****SOFR** Rate Committed Loans or any conversion of **Eurodollar****SOFR** Rate Committed Loans to Base Rate Committed Loans, (ii) 12:00 noon one Business Day prior to the requested date of any Committed Borrowing of Initial Committed Loans to the extent consisting of Base Rate Committed Loans and (iii) 12:00 noon twelve Business Days prior to the requested date of any Committed Borrowing of Additional Committed Loans; provided, however, that if the Borrower wishes to request **Eurodollar****SOFR** Rate Committed Loans having an Interest Period other than one, two, three or six months in duration as provided in the definition of "Interest Period" the applicable notice must be received by the Administrative Agent not later than 12:00 noon four Business Days prior to the requested date of such Committed Borrowing, conversion or continuation, whereupon the Administrative Agent shall give prompt notice to the Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. Borrower may include an alternative Interest Period of one, two, three or six months with respect to such Committed Borrowing in any such notice which shall apply (automatically and without any further notice) in the event that one or more Lenders do not agree to such requested Interest Period. Not later than 12:00 noon, three Business Days before the requested date of such committed Borrowing, conversion or continuation, the Administrative Agent shall notify the Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders. Each Committed Borrowing of, conversion to or continuation of **Eurodollar****SOFR** Rate Committed Loans shall be in a principal amount of not less than \$10,000,000 or a whole multiple of \$500,000 in excess thereof. Each Committed Borrowing of or conversion to Base Rate Committed Loans shall be in a principal amount of not less than \$10,000,000 or a whole multiple of \$500,000 in excess thereof. Each Committed Loan Notice shall specify (A) whether the Borrower is requesting a Committed Borrowing, a conversion of Committed Loans from one Type to the other, or a continuation of **Eurodollar****SOFR** Rate Committed Loans, (B) the requested date of the Committed Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (C) the principal amount of Committed Loans to be borrowed, converted or continued, (D) the Type of Committed Loans to be borrowed or to which existing Committed Loans are to be converted, and (E) if applicable, the duration of the Interest Period with respect thereto. If the Borrower fails to specify a Type of Committed Loan in a Committed Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Committed Loans shall be made as, or converted to, Base Rate Committed Loans. Any such automatic conversion to Base Rate Committed Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable **Eurodollar****SOFR** Rate Committed Loans. If the Borrower requests a Committed Borrowing of, conversion to, or continuation of **Eurodollar****SOFR** Rate Committed Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of such Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Committed Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Committed Loans described in the preceding subsection (a). In the case of a Committed Borrowing, each Lender shall make the amount of its Committed Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 12:00 noon on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction or waiver as provided under this Agreement of the applicable conditions set forth in Section 4.02 (and, if such Committed Borrowing is the initial Committed Borrowing, Section 4.01), the Administrative Agent shall promptly make all funds so received available to the Borrower in like funds as received by the Administrative Agent by wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower.

(c) Except as otherwise provided herein, a **EurodollarSOFR** Rate Committed Loan may be continued or converted only on the last day of an Interest Period for such **EurodollarSOFR** Rate Committed Loan. During the existence of a Default, no Committed Loans may be requested as, converted to or continued as **EurodollarSOFR** Rate Committed Loans without the consent of the Required Lenders.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for **EurodollarSOFR** Rate Committed Loans upon determination of such interest rate. At any time that Base Rate Committed Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in the prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Committed Borrowings, all conversions of Committed Loans from one Type to the other, and all continuations of Committed Loans as the same Type, there shall not be more than six Interest Periods in effect with respect to Committed Loans.

2.03 [Reserved].

2.04 Prepayments.

(a) **Voluntary Prepayments.** The Borrower may, upon notice to the Administrative Agent, at any time or from time to time voluntarily prepay Committed Loans in whole or in part without premium or penalty (but subject to Section 2.04(c) and Section 3.05(a)); provided that (i) such notice must be received by the Administrative Agent not later than 12:00 p.m. (A) three Business Days prior to any date of prepayment of **EurodollarSOFR** Rate Committed Loans and (B) on the date of prepayment of Base Rate Committed Loans; (ii) any prepayment of **EurodollarSOFR** Rate Committed Loans shall be in a principal amount of \$1,000,000 or a whole multiple of \$100,000 in excess thereof; and (iii) any prepayment of Base Rate Committed Loans shall be in a principal amount of \$500,000 or a whole multiple of \$50,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Type(s) of Committed Loans to be prepaid and, if **EurodollarSOFR** Rate Committed Loans are to be prepaid, the Interest Period(s) of such Committed Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein, provided that any such notice may be contingent upon the consummation of a refinancing, acquisition, merger or disposition transaction and if such refinancing, acquisition, merger or disposition is not consummated on the date of repayment specified in such notice, such notice may be rescinded, or the date of repayment specified therein may be extended, upon further notice from the Borrower to the Administrative Agent. Any prepayment of a **EurodollarSOFR** Rate Committed Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.14, each such prepayment shall be applied to the Committed Loans of the Lenders in accordance with their respective Applicable Percentages.

(b) **Mandatory Prepayments and Offers to Prepay.** The Borrower shall make the following mandatory prepayments and offers to prepay:

(i) Commencing with the fiscal year ending December 31, 2021, within five (5) Business Days after financial statements have been delivered pursuant to Section 6.01(b) and the related officer's certificate has been delivered pursuant to Section 6.02 for such fiscal year, the Borrower shall make an offer to the Lenders to prepay an aggregate principal amount of Committed Loans on a *pro rata* basis in an amount equal to (A) 50% (such percentage as it may be reduced as described below, the "ECF Percentage") of Excess Cash Flow, if any, for the fiscal year covered by such financial statements minus (B) any voluntary prepayments of Committed Loans (or any Permitted Refinancing Indebtedness thereof) during such fiscal year (including, with respect to the fiscal year ending December 31, 2021, the Specified Prepayment) or during the period between the end of such fiscal year and the date by which any such prepayment is due (without duplication of any such credit in any prior or subsequent fiscal year) pursuant to Section 2.04(a) minus (C) with respect to the fiscal year ending December 31, 2021, the December SLI Prepayment minus (D) any prepayment of Committed Loans with the proceeds of any full or partial Disposition of the CarbonFree Investment during such fiscal year or during the period between the end of such fiscal year and the date by which any such prepayment is due (without duplication of any such credit in any prior or subsequent fiscal year) minus (E) any SLI Specified Prepayment during such fiscal year or during the period between the end of such fiscal year and the date by which any such prepayment is due (without duplication of any such credit in any prior or subsequent fiscal year); provided that (1) the ECF Percentage shall be 25% if the Leverage Ratio determined as of the last day of the fiscal year covered by such financial statements is less than 2.00 to 1.00 and greater than or equal to 1.50 to 1.00 and (2) the ECF Percentage shall be 0% if the Leverage Ratio determined as of the last day of the fiscal year covered by such financial statements is less than 1.50 to 1.00.

(ii) No later than the fifth Business Day following the date of receipt by the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgors of any Net Available Cash from any Disposition permitted pursuant to Section 7.06(d) other than (x) a Disposition of ABL Priority Collateral, the proceeds of which shall be applied in accordance with the ABL Credit Agreement and (y) any Disposition of SLI Shares, the Borrower shall make an offer to the Lenders to prepay an aggregate principal amount of the Committed Loans on a *pro rata* basis in an amount equal to 100% of such Net Available Cash in accordance with Section 2.11 (without duplication of amounts required to be prepaid under Section 2.04(b)(v)). No later than (x) December 31, 2021, the Borrower shall prepay the Committed Loans on a *pro*

*rat*a basis in an amount equal to \$13,000,000 (the "December SLI Prepayment") and (y) the fifth Business Day following the date of receipt by the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgors thereof, the Borrower shall prepay the Committed Loans on a *pro rata* basis in an aggregate amount equal to the aggregate amount of Net Available Cash received by the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgors from all Dispositions of SLI Shares after the Third Amendment Effective Date, in each case in accordance with Section 2.11 (without duplication of amounts required to be prepaid under Section 2.04(b)(v) or the December SLI Prepayment) (any such prepayment, an "SLI Specified Prepayment").

(iii) No later than the fifth Business Day following the date of receipt by the Borrower or any Restricted Subsidiary of any Net Recovery Proceeds exceeding \$10,000,000 other than any such Net Recovery Proceeds attributable to a Recovery Event with respect to ABL Priority Collateral, the proceeds of which shall be applied in accordance with the ABL Credit Agreement, the Borrower shall make an offer to the Lenders to prepay an aggregate principal amount of Committed Loans on a *pro rata* basis in an amount equal to 100% of such Net Recovery Proceeds in accordance with Section 2.11; *provided* that, in the case of any Recovery Event, if the Borrower shall, prior to the date of the required prepayment offer, deliver to the Administrative Agent a certificate of a Responsible Officer of the Borrower to the effect that the Borrower intends to cause the Net Recovery Proceeds with respect to such Recovery Event (or a portion of such Net Recovery Proceeds specified in such certificate) to be applied within 365 days after receipt of such Net Recovery Proceeds (or intends to enter into an agreement within such 365 day period to apply such Net Recovery Proceeds within 180 days of entering into such agreement) to acquire real property, equipment or other assets to be used in the business of the Borrower or its Restricted Subsidiaries, to demolish, repair or restore the real property, equipment or other assets damaged as a result of a casualty or to replace, improve or expand existing capital assets of the Borrower or its Restricted Subsidiaries, then no prepayment shall be required pursuant to this paragraph in respect of such Net Recovery Proceeds (or the portion of such Net Recovery Proceeds specified in such certificate, if applicable) except to the extent of any such Net Recovery Proceeds that have not been so applied by the end of such period, at which time a prepayment shall be required in an amount equal to such Net Recovery Proceeds that have not been so applied.

(iv) No later than the first Business Day following the date of receipt by the Borrower or any Restricted Subsidiary of any Net Debt Issuance Proceeds from the incurrence of any Indebtedness of the Borrower or any Restricted Subsidiary (other than with respect to any Indebtedness permitted to be incurred by Section 7.02), the Borrower shall apply such Net Debt Issuance Proceeds to the prepayment on a *pro rata* basis of Committed Loans in accordance with Section 2.11.

(v) No later than the fifth Business Day following the date of receipt by the Borrower of any Net Equity Issuance Proceeds from any issuance of Equity Interests of the Borrower or any Restricted Subsidiary, the Borrower shall make an offer to the Lenders to prepay an aggregate principal amount of Committed Loans on a *pro rata* basis in an amount equal to 75% of such Net Equity Issuance Proceeds in accordance with Section 2.11 (without duplication of amounts required to be prepaid under Section 2.04(b)(ii)); *provided*, during any period in which the Leverage Ratio (determined for any such period by reference to the Compliance Certificate delivered pursuant to Section 6.01(a), calculating the Leverage Ratio on a Pro Forma Basis (after giving effect to the issuance of such Equity Interests and the use of proceeds thereof) as of the last day of the most recently ended fiscal quarter) shall be 3.00:1.00 or less, the Borrower shall only be required to make the offer to prepay otherwise required hereby in an amount equal to 50% of such Net Equity Issuance Proceeds.

(vi) The Borrower shall notify the Administrative Agent in writing of any requirement to make a mandatory offer to prepay Committed Loans required to be made by the Borrower pursuant to Sections 2.04(b)(ii), 2.04(b)(iii) and 2.04(b)(v) at least three Business Days prior to the date of such offer. Each such notice shall specify the date of such offer and provide a reasonably detailed calculation of the maximum amount of such offer. The Administrative Agent will promptly notify each Lender of the contents of the Borrower's offer and of such Lender's Pro Rata Share of such offer.

(vii) Each Lender may accept all or any portion of its *pro rata* portion of any offer to prepay the Committed Loans required to be made pursuant to this Section 2.04(b) (each such offer, a "**Prepayment Offer**"), by providing written notice (a "**Prepayment Acceptance Notice**") to the Administrative Agent (with a copy to the Borrower) no later than 5:00 p.m. five Business Days after the date of such Lender's receipt of the Prepayment Offer, which Prepayment Acceptance Notice shall specify the principal amount of the prepayment of Committed Loans being accepted by such Lender; *provided* that, if such Lender fails to specify the principal amount of the Committed Loans to be accepted pursuant to any such Prepayment Acceptance Notice delivered to the Administrative Agent, such Lender shall be

deemed to have requested a prepayment in an amount equal to its *pro rata* portion of such Prepayment Offer. If a Lender fails to deliver a Prepayment Acceptance Notice to the Administrative Agent within the time frame specified above, such failure will be deemed a rejection of the total amount of such mandatory prepayment of Committed Loans. The Borrower shall make any prepayments no later than five Business Days after expiration of the time period for acceptance by Lenders of

Prepayment Offers. Any Declined Amounts remaining shall be retained by the Borrower and may be used for general corporate purposes or for any other purpose not expressly prohibited by this Agreement.

(c) **Call Protection.** The Borrower shall pay the following premium in connection with any prepayment of the Committed Loans made prior to the third-year anniversary of the Closing Date pursuant to Section 2.04(a): (i) during the period commencing on the Closing Date and ending on the one-year anniversary of the Closing Date, a premium in an amount equal to the present value of the sum of (A) the Applicable Rate that would have been payable for ~~Eurodollar~~ SOFR Rate applicable to the Committed Loans prepaid, (assuming an Interest Period of three months in effect on the date on which the applicable notice of prepayment, repayment is given) *plus* (B) the greater of (x) the ~~Eurodollar~~ SOFR Rate "floor" (i.e. 1%) and (y) the ~~Eurodollar~~ SOFR Rate (assuming an Interest Period of three months in effect on the date on which the applicable notice of prepayment is given), in each case calculated as a rate per annum on the amount of the principal of such Committed Loans prepaid from the date of such prepayment until the one-year anniversary of the Closing Date *plus* (C) the premium on the amount of the principal of such Committed Loans prepaid that would have been payable on such Committed Loans if such prepayment had occurred on the one-year anniversary of the Closing Date (in each case, computed on the basis of actual days elapsed over a year of 360 days and using a discount rate equal to the Treasury Rate as of such prepayment plus 50 basis points); (ii) during the period commencing after the one-year anniversary of the Closing Date and ending on the two-year anniversary of the Closing Date, a premium of 3% of the aggregate principal amount so prepaid; and (iii) during the period commencing after the two-year anniversary of the Closing Date and ending on the three-year anniversary of the Closing Date, a premium of 1% of the aggregate principal amount so prepaid.

2.05 Termination or Reduction of Commitments. The Borrower may, upon notice to the Administrative Agent, terminate the Aggregate Commitments, or from time to time permanently reduce the Aggregate Commitments; *provided* that (i) any such notice shall be received by the Administrative Agent not later than 12:00 noon three Business Days prior to the date of termination or reduction and (ii) any such partial reduction shall be in an aggregate amount of \$1,000,000 or any whole multiple of \$100,000 in excess thereof. The Administrative Agent will promptly notify the Lenders of any such notice of termination or reduction of the Aggregate Commitments. Any reduction of the Aggregate Commitments shall be applied to the Commitment of each Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

2.06 Repayment of Committed Loans. The Borrower shall repay to the Lenders on the Scheduled Maturity Date the aggregate principal amount of Committed Loans outstanding on such date.

2.07 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each ~~Eurodollar~~ SOFR Rate Committed Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the ~~Eurodollar~~ Adjusted Term SOFR Rate for such Interest Period *plus* the Applicable Rate; and (ii) each Base Rate Committed Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate *plus* the Applicable Rate.

(i) While any Event of Default under Section 8.01(a) or 8.01(b) (with respect to payments of principal and interest only), 8.01(g) or 8.01(h) exists, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(b) Interest on each Committed Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.08 Fees.

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(a) **Commitment Fee.** The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance with its Applicable Percentage, a commitment fee equal to 1% *times* the actual daily amount by which Aggregate Commitments exceed the Outstanding Amount of Committed Loans. The commitment fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The commitment fee shall be calculated quarterly in arrears.

(b) **Other Fees.**

(i) The Borrower shall pay to Blackstone, CPPIB and the Administrative Agent, for their own respective accounts, fees in the amounts and at the times specified in the Expense Reimbursement Letter and the Fee Letters. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(ii) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.09 Computation of Interest and Fees. All computations of interest for Base Rate Committed Loans (including Base Rate Committed Loans determined by reference to the **Eurodollar** **SQFR** Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Committed Loan for the day on which the Committed Loan is made, and shall not accrue on a Committed Loan, or any portion thereof, for the day on which the Committed Loan or such portion is paid, provided that any Committed Loan that is repaid on the same day on which it is made shall, subject to Section 2.11(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.10 Evidence of Debt.

(a) The Committed Borrowings made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Committed Borrowings made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Committed Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Committed Loans and payments with respect thereto.

2.11 Payments Generally; Administrative Agent's Clawback.

(a) **General.** All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) **Funding by Lenders; Presumption by Administrative Agent.** Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Committed Borrowing of **Eurodollar** **SQFR** Rate Committed Loans (or, in the case of any Committed Borrowing of Base Rate Committed

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Loans, prior to 12:00 noon on the date of such Committed Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Committed Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Committed Borrowing of Base Rate Committed Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Committed Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to such Committed Loan. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Committed Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Committed Loan included in such Committed Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(c) **Payments by Borrower; Presumptions by Administrative Agent.** Unless the Administrative Agent shall have received notice from the Borrower prior to the time at which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, in immediately available funds 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 Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection(b) shall be conclusive, absent manifest error.

(d) **Failure to Satisfy Conditions Precedent.** If any Lender makes available to the Administrative Agent funds for any Committed Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Committed Borrowing set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(e) **Obligations of Lenders Several.** The obligations of the Lenders hereunder to make Committed Loans and to make payments pursuant to Section 10.04(c) are several and not joint. The failure of any Lender to make any Committed Loan or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Committed Loan or to make its payment under Section 10.04(c).

(f) **Funding Source.** Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Committed Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Committed Loan in any particular place or manner.

2.12 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal or interest on any of the Committed Loans made by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Committed Loans and accrued interest thereon greater than its prorata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Committed Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Committed Loans and other amounts owing them, provided that:

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(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 Section 2.12 shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Committed Loans to any assignee, other than an assignment to the Borrower or any Subsidiary thereof (as to which the provisions of this Section 2.12 shall apply).

Each Loan Party 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 Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.13 Reserved.

2.14 Defaulting Lenders.

(a) **Adjustments.** Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) **Waivers and Amendments.** Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 10.01 and in the definition of "Required Lenders".

(ii) **Defaulting Lender Waterfall.** 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 Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.08 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*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Committed 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; *third*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Committed Loans under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this

Agreement; and *sixth*, 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 Committed Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Committed Loans were made 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 Committed Loans of all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Committed Loans of such Defaulting Lender until such time as all Committed Loans are held by the Lenders pro rata in accordance with the Commitments hereunder. 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 pursuant to this Section 2.14(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. Each Defaulting Lender shall not be entitled to receive any commitment fee pursuant to Section 2.08(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of

the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Committed Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Committed Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Article III **TAXES, YIELD PROTECTION AND ILLEGALITY**

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party hereunder or under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent or a Loan Party) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions of Indemnified Taxes applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions of Indemnified Taxes applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower 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 the payment of, any Other Taxes.

(c) **Tax Indemnifications.** (i) The Borrower shall, and does hereby, indemnify each Recipient, and shall make payment in respect thereof within 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 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and 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 the Borrower 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.

(i) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (y) the Administrative Agent and the Borrower, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Borrower, as applicable, against any Excluded Taxes attributable to such Lender that are payable or paid by the Administrative Agent or the Borrower 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 this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) **Evidence of Payments.** Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) **Status of Lenders; Tax Documentation.**

(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 Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative 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 the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative 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 3.01(e)(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, if the Borrower is a U.S. person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative 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 Borrower or the Administrative Agent), executed originals 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 Borrower and the Administrative 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 Borrower or the Administrative 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, executed originals of IRS Form W-8BEN 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 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) executed originals 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 D-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 the 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) executed originals of IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-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 D-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 Borrower and the Administrative 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 Borrower or the Administrative Agent), executed originals 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 Borrower or the Administrative 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 Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative 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 Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative 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. For purposes of determining withholding Taxes imposed under FATCA, from and after the Closing Date, the Borrower and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) the Committed Loans as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(iv) Notwithstanding anything to the contrary herein or in any other Loan Document, the obligation of the Administrative Agent and the Loan Parties to withhold based upon the information and documentation the Administrative Agent has received pursuant to this clause (e), shall be subject to the standards of knowledge set forth in U.S. Treasury Regulation Section 1.1441-7T (or any successor provision) and, in the case of withholding under any non-U.S. law, any comparable provision applicable to withholding agents under such non-U.S. law.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient 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 by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 3.01, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Recipient, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such

refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection (f), in no event will the applicable Recipient be required to pay any amount to the Borrower pursuant to this subsection (f) the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if 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 with respect to such Tax had never been paid. This subsection (f) shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 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 other Obligations.

(h) Defined Terms. For purposes of this Section 3.01, the term "applicable Laws" includes FATCA.

3.02 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Committed Loans whose interest is determined by reference to the Eurodollar SOFR Rate, or to determine or charge interest rates based upon the Eurodollar SOFR Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London applicable offshore interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurodollar SOFR Rate Committed Loans or to convert Base Rate Committed Loans to Eurodollar SOFR Rate Committed Loans shall be suspended, and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Committed Loans the interest rate on which is determined by reference to the Eurodollar SOFR Rate component of the Base Rate, the interest rate on which Base Rate Committed Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar SOFR Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar SOFR Rate Committed Loans of such Lender to Base Rate Committed Loans (the interest rate on which Base Rate Committed Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar SOFR Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar SOFR Rate Committed Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar SOFR Rate Committed Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar SOFR Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar SOFR Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar SOFR Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates; Benchmark Replacement.

(a) Subject to clauses (b) through (g) of this Section 3.03, if:

(i) (a) Subject to clauses (b) through (f) of this Section 3.03, if the Administrative Agent reasonably determines that for any reason, (which determination shall be conclusive and binding absent manifest error) prior to the commencement of any Interest Period for a SOFR Rate Committed Borrowing that adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Committed Loan; ascertaining the Adjusted Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis) and such Interest Period; or

(ii) is informed the Administrative Agent is advised by the Required Lenders in writing that the Eurodollar Rate for any requested that (A) prior to the commencement of any Interest Period

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with respect to a proposed Eurodollar for a SOFR Rate Committed Loan does, the Adjusted Term SOFR Rate and such Interest Period will not adequately and fairly reflect the cost to such Lenders of funding such Committed Loan, or that deposits are not being offered to banks in the relevant interbank market for the applicable amount and the (or Lender) of making or maintaining their Committed Loans (or its Committed Loan) included in such borrowing and such Interest Period of such Eurodollar Rate Committed Loan;

then, in each case, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make or maintain Eurodollar SOFR Rate Committed Loans, and any right of the Borrower to request SOFR Rate Committed Loans, to continue SOFR Rate Committed Loans or to convert Base Rate Committed Loans to SOFR Rate Committed Loans, shall be suspended and (y) in the event of a determination described in the preceding sentence with respect to the Eurodollar Rate component of the Base Rate, the utilization of the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case (to the extent of the affected SOFR Rate Committed Loans or affected Interest Periods) until the Administrative Agent (upon with respect to clause (a)(i) above, at the instruction of the Required Lenders) revokes such notice. Upon receipt of such

notice, the Borrower may revoke any pending request for a **Borrowing** of, conversion to or continuation of **Eurodollar SOFR Rate Committed Loans (to the extent of the affected SOFR Rate Committed Loans or affected Interest Periods or)**, failing that, **(A) the Borrower** will be deemed to have converted **any** such request into a request for a **Borrowing of or conversion to (x) Committed Loans bearing interest at Adjusted Daily Simple Rate if Adjusted Daily Simple Rate is not subject to clauses (a)(i) or (ii) above or (y) Base Rate Committed Loans, in each case**, in the amount specified therein **(or, in the case of a pending request for a Loan denominated in a currency other than Dollars, the Borrower, the Administrative Agent and the applicable Lenders may establish a mutually acceptable alternative rate)** **and (B) any outstanding affected SOFR Rate Committed Loans will be deemed to have been converted (x) into Committed Loans bearing interest at Adjusted Daily Simple Rate if Adjusted Daily Simple Rate is not subject to clauses (a)(i) or (ii) above or (y) otherwise, into Base Rate Committed Loans at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 3.05.**

Notwithstanding anything to the contrary herein or in any other Loan Document

(b) On March 5, 2021 the Financial Conduct Authority ("FCA"), the regulatory supervisor of USD-LIBOR's administrator ("IBA"), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 2-month, 3-month, 6-month and 12-month USD-LIBOR tenor settings. On the earlier of (i) the date that all Available Tenors of USD-LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Contract shall be deemed not to be a "Loan Document" for purposes of this Section 3.03), 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 is USD-LIBOR, the Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement", such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all 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. If the and (y) if a Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.

(c) determined in accordance with clause (2) of Upon the occurrence of a definition of "Benchmark Transition Event, the Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace the then current 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 Blackstone and 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 Blackstone Representative or and the Lenders comprising the Required Lenders. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have

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converted any such request into a request for a borrowing of or conversion to Base Rate Committed Loans. During the period referenced in the foregoing sentence, the component of Base Rate based upon the Benchmark will not be used in any determination of Base Rate.

(c) (d) in connection with the implementation and administration of a Benchmark Replacement Notwithstanding anything to the contrary herein or in any other Loan Document, the Administrative Agent, in consultation with the Borrower and Blackstone, 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) (e) The Administrative Agent will promptly notify the Borrower, Blackstone and the Lenders of (i) the any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement and, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) 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, Blackstone Representative or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.03, 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 hereto to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.03.

(e) (f) At 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 or USD LIBOR 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 remove any tenor of such Benchmark and modify the definition of "Interest Period" for any Benchmark that is 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) settings and (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 any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

(f) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (i) the Borrower may revoke any pending request for SOFR Rate Committed Loans or any pending request for a conversion to or continuation of SOFR Rate Committed Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Committed Loans that bear interest at Adjusted Daily Simple Rate (if such rate is not the subject of a Benchmark Transition Event) or otherwise, Base Rate Committed Loans and (ii) any outstanding affected SOFR Rate Committed Loans will be deemed to have been converted to Committed Loans bearing interest at Adjusted Daily Simple Rate or otherwise, Base Rate Committed Loans immediately. During a Benchmark Unavailability Period, the component of Base Rate based upon the then-current Benchmark will not be used in any determination of Base Rate.

(g) As used in this Section 3.03, the following terms shall have the meanings set forth below:

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

"Benchmark" means, initially, USD LIBOR; provided that if a replacement of the Benchmark has occurred pursuant to this Section 3.03, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to "Benchmark" shall include, as applicable, the published component used in the calculation thereof.

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"Benchmark Replacement" means, for any Available Tenor:

(1) For purposes of Section 3.03(b), the first alternative set forth below that can be determined by the Administrative Agent:

(a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one month's duration, 0.26161% (26.161 basis points) for an Available Tenor of three months' duration, and 0.42926% (42.826 basis points) for an Available Tenor of six months' duration; or
(b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of USD LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in Section 3.04(b); and

(2) For purposes of Section 3.03(c), the sum of (x) the alternate benchmark rate and (y) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by Blackstone and the Borrower (with the Administrative Agent's consent, such consent not to be unreasonably withheld, delayed or conditioned) as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time;

provided that, 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 Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "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, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent (in consultation with Blackstone and the Borrower) decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement 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 Replacement 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 Transition Event" means, with respect to any then-current Benchmark other than USD LIBOR, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, 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 (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"Early Opt-in Effective Date" means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to Blackstone and the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th)

~~Business Day after the date notice of such Early Opt-in Election is provided to Blackstone and the Lenders, written notice of objection to such Early Opt-in Election from Blackstone Representative or Lenders comprising the Required Lenders.~~

"Early Opt-in Election" means the occurrence of:

(1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Administrative Agent, Blackstone and the Borrower to trigger a fallback from USD LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to **USD LIBOR**.

"Relevant Governmental Body" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

"SOFR" means a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org> (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate from time to time).

"Term SOFR" means, for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"USD LIBOR" means the London interbank offered rate for U.S. dollars."

3.04 Increased Costs; Reserves on Eurodollar SOFR Rate Committed Loans.

(a) **Increased Costs Generally.** If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.04(e));

(ii) 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; or

(iii) impose on any Lender or the **London applicable offshore** interbank market any other condition, cost or expense affecting this Agreement or **Eurodollar SOFR** Rate Committed Loans made by such Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Committed Loan the interest on which is determined by reference to the **Eurodollar SOFR** Rate (or, in the case of clause (ii) above, any Committed Loan) (or of maintaining its obligation to make any such Committed Loan), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) **Capital Requirements.** If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Committed Loans made by, such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) **Certificates for Reimbursement.** A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company as specified in subsection (a) or (b) of this **Section 3.04** and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) **Delay in Requests.** Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this **Section 3.04** shall not constitute a waiver of such Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender pursuant to the foregoing provisions of this **Section 3.04** for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) **Reserves on Eurodollar SOFR Rate Committed Loans.** The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each **Eurodollar SOFR** Rate Committed Loan equal to the actual costs of such reserves allocated to such Committed Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Committed Loan, provided the Borrower shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest shall be due and payable 10 days from receipt of such notice.

3.05 Compensation for Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any **Committed Loan other than a Base SOFR** Rate Committed Loan on a day other than the last day of the Interest Period for such **SOFR Rate** Committed Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Committed Loan) to prepay, borrow, continue or convert any **Committed Loan other than a Base SOFR** Rate Committed Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a **Eurodollar SOFR** Rate Committed Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to **Section 10.13**;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such **SOFR Rate** Committed Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this **Section 3.05**, each Lender shall be deemed to have funded each **Eurodollar SOFR** Rate Committed Loan made by it at the **Eurodollar Adjusted Term SOFR** Rate for such **SOFR Rate** Committed Loan by a matching deposit or other borrowing in the

3.06 Mitigation Obligations; Replacement of Lenders.

(a) **Designation of a Different Lending Office.** If any Lender requests compensation under Section 3.04 or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower such Lender shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Committed 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 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) **Replacement of Lenders.** If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, and in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 10.13.

3.07 Survival. All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, and resignation of the Administrative Agent.

Article IV
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Committed Borrowing. The obligation of each Lender to make its Initial Committed Loans hereunder is subject to satisfaction (or waiver in accordance with Section 10.01) of the following conditions precedent:

(a) The Administrative Agent's and the Lenders' receipt of the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date):

- (i) executed counterparts of this Agreement sufficient in number for distribution to the Administrative Agent, each Lender and the Borrower;
- (ii) a Note executed by the Borrower in favor of each Lender requesting a Note;
- (iii) executed counterpart of the Subsidiary Guaranty;
- (iv) executed counterparts of the Collateral Documents;
- (v) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each of the Borrower, each Subsidiary Guarantor and each Non-Recourse Pledgor as the Required Lenders may reasonably require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Person is a party;
- (vi) such documents and certifications as the Required Lenders may reasonably require to evidence that each Loan Party is duly organized or formed, and that each of the Borrower and the other Loan Parties is validly existing and in good standing in its jurisdiction of organization;
- (vii) a favorable opinion of each of (a) Haynes and Boone, LLP, Texas and New York counsel to the Loan Parties, and (b) Hall, Estill, Hardwick, Gable, Golden & Nelson, P.C., Oklahoma counsel to the Loan Parties, in each case addressed to the Administrative Agent and each Lender, in form and substance satisfactory to the Administrative Agent and the Required Lenders;

- (viii) certificates evidencing that insurance has been obtained and is in effect in such types and amounts as is required under Section 6.05, naming Administrative Agent as additional insured on liability policies and loss payee with regard to property and casualty policies;
- (ix) a certificate of a Responsible Officer of each Loan Party either (A) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required (other than consents and approvals under the Organization Documents of such Loan Party);
- (x) a certificate signed by a Responsible Officer of the Borrower certifying (A) that the conditions specified in Sections 4.01(e), 4.02(a), 4.02(b) and 4.02(c) have been satisfied, and (B) that there has been no event or condition since December 31, 2017 that has had or would be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect; and
- (xi) an executed copy of the Perfection Certificate.

(b) (i) Any fees required to be paid on the Closing Date pursuant to the Expense Reimbursement Letter and the Fee Letters and (ii) all reasonable fees, charges and disbursements of counsel and any local counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent), plus such additional amounts of such fees (including all filing and recording fees and taxes), charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by such counsel through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent), in each case to the extent invoiced at least two (2) Business Days' prior to the Closing Date (except as otherwise reasonably agreed by the Borrower), shall have been or will be simultaneously paid with the initial Committed Borrowing hereunder.

(c) The Lenders shall have received certification as to the Solvency of the Borrower and the Loan Parties, taken as a whole, after giving effect to the execution of this Agreement and the other Loan Documents and the consummation of the transactions contemplated hereby, from a Senior Financial Officer of the Borrower.

(d) The Administrative Agent and the Lenders shall have received, at least five Business Days prior to the Closing Date, the documentation and other information that are required by regulatory authorities under applicable "know-your-customer" rules and regulations, including the Patriot Act, that have been requested in writing at least seven calendar days before the Closing Date.

(e) The absence of any action, suit, investigation or proceeding pending or, to the knowledge of the Borrower, threatened in any court or before any arbitrator or Governmental Authority that could reasonably be expected to have a Material Adverse Effect.

(f) [Reserved].

(g) The Administrative Agent and the Lenders shall have received a certificate of a Responsible Officer of the Borrower, dated as of the Closing Date, certifying that arrangements have been made for the repayment of the entire outstanding amount of (i) the Borrower's 2022 Senior Secured Notes in accordance with the terms thereof and (ii) all of the Borrower's outstanding Indebtedness in respect of borrowed money under the Existing Credit Agreement (and the return and cancellation of any letters of credit issued thereunder that are not being continued, or for which back-stop letters of credit have been issued, under the ABL Facility or which have been fully cash collateralized to the satisfaction of the issuing bank).

(h) The Administrative Agent and the Lenders shall have received (i) a copy of the ABL Credit Agreement fully executed by the parties thereto and certified by a Responsible Officer of the Borrower to be a true, correct and complete copy thereof and (ii) evidence reasonably satisfactory to the Administrative Agent and the Lenders that, as of the Closing Date and after giving effect to the repayments specified in Section 4.01(g), not more than \$25,000,000 of advances, loans or any other credit extensions are outstanding under the ABL Credit Agreement.

(i) The Lenders shall have received results of lien searches made with respect to the Loan Parties and evidence reasonably satisfactory to the Required Lenders that the Liens indicated by the results of such searches are permitted under Section 7.04 or have been, or substantially contemporaneously with the Closing Date will be, released.

Each Lender, by delivering its signature page to this Agreement, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document, agreement and/or instrument required to be approved by Administrative Agent, Required Lenders or Lenders, as applicable, and each condition to be satisfied on the Closing Date.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Committed Borrowing (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type, or a continuation of **Eurodollar SOFR** Rate Committed Loans) is subject to the following conditions precedent:

- (a) The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document to which such Loan Party is a party, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (except with respect to representations and warranties which are expressly qualified by materiality, which shall be true and correct in all respects) on and as of the date of such Committed Borrowing, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (except with respect to representations and warranties which are expressly qualified by materiality, which shall be true and correct in all respects) as of such earlier date.
- (b) No Default shall exist, or would result from such proposed Committed Borrowing or from the application of the proceeds thereof.
- (c) After giving effect to the incurrence of such Committed Borrowing on a Pro Forma Basis, on the date such debt is incurred and all related transactions are consummated, the Leverage Ratio calculated on a Pro Forma Basis shall be less than 2.75:1.00.
- (d) The Administrative Agent shall have received a Committed Loan Notice in accordance with the requirements hereof.
- (e) Any fees required to be paid on the date of such extension of credit pursuant to the Expense Reimbursement Letter, the Fee Letters and Section 10.04(a) shall have been paid or will be contemporaneously paid.

Each Committed Loan Notice (other than a Committed Loan Notice requesting only a conversion of Committed Loans to the other Type or a continuation of **Eurodollar SOFR** Rate Committed Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a), (b) and (c) have been satisfied on and as of the date of the applicable Committed Borrowing.

Article V **REPRESENTATIONS AND WARRANTIES**

The Borrower represents and warrants to the Administrative Agent and each Lender that:

5.01 Organization; Power and Authority.

The Borrower and each Subsidiary Guarantor is a corporation, limited liability company or limited partnership, as applicable, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Borrower and each Subsidiary Guarantor has the corporate, partnership or limited liability company action (as the case may be) power and authority to own or hold under lease or license the properties it purports to own or hold under lease or license, to transact the business it transacts and proposes to transact, to execute and deliver each of the Loan Documents to which it is a party and to perform the provisions hereof and thereof.

5.02 Authorization, etc.

(a) This Agreement and the other Loan Documents have been duly authorized by all necessary corporate or partnership action on the part of the Borrower, and this Agreement constitutes a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

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(b) The Subsidiary Guaranty has been duly authorized by all necessary corporate, partnership or limited liability company action (as the case may be) on the part of each Subsidiary Guarantor and upon execution and delivery thereof will constitute the legal, valid and binding obligation of each Subsidiary Guarantor, enforceable against each Subsidiary Guarantor in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, fraudulent transfer, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) Each of the Security Agreement and the other Collateral Documents has been duly authorized by all necessary corporate, partnership or limited liability company action (as the case may be) on the part of each Loan Party (other than the Borrower) and upon execution and delivery thereof will constitute the legal, valid and binding obligation of each Loan Party (other than the Borrower), enforceable against each Loan Party (other than the Borrower) in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, fraudulent transfer, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

5.03 Disclosure.

The written information provided to the Administrative Agent, along with the reports filed by the Borrower with the Securities and Exchange Commission, fairly describes, in all material respects, the general nature of the business and principal properties of the Borrower and its Subsidiaries. Except as disclosed in Schedule 5.03, this Agreement, the reports filed by the Borrower with the Securities and Exchange Commission and the other documents, certificates or other writings delivered to the Administrative Agent by or on behalf of the Borrower in connection with the transactions contemplated hereby and the financial statements listed in Schedule 5.05 (this Agreement and such documents, certificates or other writings and such financial statements delivered to the Administrative Agent and each Lender being referred to, collectively, as the "Disclosure Documents"), taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made; *provided* that with respect to projected financial information and any forecasts of financial performance, the Borrower makes no representation or warranty that such projections or forecasts will ultimately prove to have been accurate, and the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time such information was prepared in light of all then known facts and circumstances reasonably available to the Borrower and its Restricted Subsidiaries. Except as expressly described in Schedule 5.03, or in one of the documents, certificates or other writings identified therein, or in the financial statements listed in Schedule 5.05, since the date of the most recent financial statements required to be filed with the Securities Exchange Commission as part of the Borrower's most recently filed Form 10-K or Form 10-Q, there has been no change in the financial condition, operations, business or properties of the Borrower or any other Loan Party except changes that individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect. There is no Material non-public information known to the Borrower that could reasonably be expected to have a Material Adverse Effect that has not been set forth herein or in the other documents, certificates and other writings delivered to the Administrative Agent or any Lender by or on behalf of the Borrower specifically for use in connection with the transactions contemplated hereby.

5.04 Organization and Ownership of Shares of Subsidiaries; Affiliates.

(a) Schedule 5.04 contains (except as noted therein) a complete and correct list, as of the Closing Date, of (i) the Borrower's Subsidiaries, showing, as to each Subsidiary, the correct name thereof, the jurisdiction of its organization, and the percentage of shares of each class of its Capital Stock outstanding owned by the Borrower and each Subsidiary, (ii) the Borrower's Affiliates, other than Subsidiaries, and (iii) the Borrower's directors and senior officers. Except for those Subsidiaries listed in the definition of Unrestricted Subsidiary, each Subsidiary listed in Schedule 5.04 is designated as a Restricted Subsidiary or Non-Recourse Pledgor (as applicable).

(b) All of the outstanding shares of Capital Stock of each Subsidiary shown in Schedule 5.04 as being owned by the Borrower and its Subsidiaries have been validly issued, are fully paid and nonassessable and are owned by the Borrower or another Subsidiary free and clear of any Lien (except for Liens permitted under Section 7.04, and except with respect to Foreign Subsidiaries that individually or in the aggregate are not Material and the consequence of which would not in the aggregate result in a Material Adverse Effect).

(c) As of the Closing Date, each Subsidiary identified in Schedule 5.04 (i) is a corporation or other legal entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so existing,

qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (ii) has the corporate or other power and authority to own or hold under lease or license the properties it purports to own or hold under lease or license and to transact the business it transacts and proposes to transact.

(d) No Restricted Subsidiary is a party to, or otherwise subject to, any legal restriction or any agreement (other than this Agreement or any other Loan Document, the ABL Loan Documents, any agreements permitted under Section 7.07 and customary limitations imposed by corporate, partnership or limited liability company law statutes) restricting the ability of such Restricted Subsidiary to pay dividends out of profits or make any other similar distributions of profits to the Borrower or any of its Restricted Subsidiaries that owns outstanding shares of Capital Stock of such Restricted Subsidiary, except legal restrictions or agreements by Foreign Subsidiaries that individually or in the aggregate are not Material and the consequence of which would not in the aggregate result in a Material Adverse Effect.

5.05 Financial Statements.

The Borrower has delivered to the Administrative Agent (a) audited consolidated financial statements of the Borrower and its Subsidiaries for the fiscal year ended December 31, 2017, (b) unaudited interim consolidated financial statements of the Borrower and its Subsidiaries for the fiscal quarter ended March 31, 2018 and (c) satisfactory projections on a quarterly basis through and including the Borrower's fiscal year ending December 31, 2018 and on an annual basis through the fiscal year ending December 31, 2022, in each case in a form reasonably satisfactory to the Lenders. All of said financial statements (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of the Borrower and its Subsidiaries as of the respective dates specified in such Schedule and the consolidated results of their operations and cash flows for the respective periods so specified and have been prepared in accordance with GAAP consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to normal year-end adjustments); *provided* that with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time. As of the Closing Date, the Borrower and its Subsidiaries do not have any Material liabilities that are not disclosed in the Disclosure Documents.

5.06 Compliance with Laws, Other Instruments, etc.

(a) The execution, delivery and performance by the Borrower of this Agreement and each of the other Loan Documents to which it is a party will not (i) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Borrower or any Subsidiary under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, or any other agreement or instrument to which the Borrower or any Subsidiary is bound or by which the Borrower or any Subsidiary or any of their respective properties may be bound or affected, (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to the Borrower or any Subsidiary or (iii) violate any provision of any statute or other rule or regulation of any Governmental Authority, including the USA PATRIOT Act, applicable to the Borrower or any Subsidiary.

(b) The execution, delivery and performance by each Subsidiary Guarantor of the Subsidiary Guaranty will not (i) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of such Subsidiary Guarantor under, any agreement, or corporate charter or by-laws, to which such Subsidiary Guarantor is bound or by which such Subsidiary Guarantor or any of its properties may be bound or affected, (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to such Subsidiary Guarantor or (iii) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to such Subsidiary Guarantor.

(c) The execution, delivery and performance by each Loan Party of each Collateral Document to which it is a party will not (i) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of such Loan Party under, any agreement, or corporate charter or by-laws, to which such Loan Party is bound or by which each such Loan Party or any of its properties may be bound or affected, (ii) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to such Loan Party or (iii) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to such Loan Party.

5.07 Governmental Authorizations, etc.

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Except for such registrations and filings with any Governmental Authority as are required to perfect Liens securing obligations under the Loan Documents, no consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by the Borrower of any Loan Documents or the execution, delivery or performance by each Subsidiary Guarantor of the Subsidiary Guaranty and each Loan Party of each Collateral Document to which it is a party.

5.08 Litigation; Observance of Agreements, Statutes and Orders.

(a) Except as disclosed in Schedule 5.08, there are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened in writing against or affecting the Borrower or any Restricted Subsidiary or Non-Recourse Pledgor or any property of the Borrower or any Restricted Subsidiary or Non-Recourse Pledgor in any court or before any arbitrator of any kind or before or by any Governmental Authority that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) Neither the Borrower nor any Restricted Subsidiary nor any Non-Recourse Pledgor is in default under any term of any agreement or instrument to which it is a party or by which it is bound, or any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or is in violation of any applicable law, ordinance, rule or regulation (including Environmental Laws and the USA PATRIOT Act) of any Governmental Authority, which default or violation, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.09 Taxes.

The Borrower and its Restricted Subsidiaries and Non-Recourse Pledgors have filed all Tax returns that are required to have been filed in any jurisdiction, and have paid all Taxes shown to be due and payable on such returns and all other Taxes and assessments levied upon them or their properties, assets, income or franchises, to the extent such Taxes and assessments have become due and payable and before they have become delinquent, except for any Tax returns, Taxes and assessments (i) the amount of which is not individually or in the aggregate Material or (ii) the amount, applicability or validity of which is currently being diligently contested in good faith by appropriate proceedings and with respect to which the Borrower, a Restricted Subsidiary or a Non-Recourse Pledgor, as the case may be, has established adequate reserves in accordance with GAAP. The Borrower knows of no basis for any other Tax or assessment that could reasonably be expected to have a Material Adverse Effect. The charges, accruals and reserves on the books of the Borrower and its Restricted Subsidiaries in respect of federal, state or other Taxes for all fiscal periods are in accordance with GAAP. The federal income tax liabilities of the Borrower, its Restricted Subsidiaries and the Non-Recourse Pledgors have been paid for all fiscal years up to and including the fiscal year ended December 31, 2017.

5.10 Title to Property; Leases.

The Borrower, its Restricted Subsidiaries and the Non-Recourse Pledgors have good and sufficient title to their respective properties that individually or in the aggregate are Material, including all such properties reflected in the most recent audited balance sheet referred to in Section 5.05 or purported to have been acquired by the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor after said date (except as sold or otherwise disposed of in the ordinary course of business or otherwise as permitted under the

terms of this Agreement), in each case free and clear of Liens prohibited by this Agreement. All leases of property by the Borrower, its Restricted Subsidiaries and the Non-Recourse Pledgors that individually or in the aggregate are Material are valid and subsisting and are in full force and effect in all material respects.

5.11 Licenses, Permits, etc.

- (a) The Borrower and its Restricted Subsidiaries own or possess all licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks and trade names, or rights thereto, that individually or in the aggregate are Material, without known conflict with the rights of others.
- (b) To the knowledge of the Borrower, no product of the Borrower or any Restricted Subsidiary infringes in any material respect any license, permit, franchise, authorization, patent, copyright, service mark, trademark, trade name or other right owned by any other Person.
- (c) To the knowledge of the Borrower, there is no Material violation by any Person of any right of the Borrower or any Restricted Subsidiary with respect to any patent, copyright, service mark, trademark, trade name or other right owned or used by the Borrower or any Restricted Subsidiary.

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5.12 Compliance with ERISA.

- (a) The Borrower and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and could not reasonably be expected to result in a Material Adverse Effect. Neither the Borrower nor any ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA as a result of failure to comply with such titles or the penalty or excise tax provisions of the Code relating to "employee benefit plans" (as defined in section 3(3) of ERISA), and no event, transaction or condition has occurred or exists that could reasonably be expected to result in the incurrence of any such liability by the Borrower or any ERISA Affiliate, or in the imposition of any Lien on any of the assets of the Borrower or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to section 430(k) of the Code or to any such penalty or excise tax provisions under the Code relating to "employee benefit plans" or section 4068 of ERISA, other than such liabilities or Liens as would not be individually or in the aggregate be Material.
- (b) The present value of the aggregate benefit liabilities under each of the Plans (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities. The term "benefit liabilities" has the meaning specified in section 4001 of ERISA and the terms "current value" and "present value" have the meaning specified in section 3 of ERISA.
- (c) The Borrower and its ERISA Affiliates have not incurred withdrawal liabilities (and are not subject to contingent withdrawal liabilities) under section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate are Material.
- (d) The expected postretirement benefit obligation (determined as of the last day of the Borrower's most recently ended fiscal year in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 715-60, without regard to liabilities attributable to continuation coverage mandated by section 4980B of the Code) of the Borrower and its Restricted Subsidiaries is not Material.

5.13 Use of Proceeds; Margin Regulations.

- (a) The proceeds of the Committed Loans will be used solely for the purposes set forth in and permitted by Section 6.13 and Section 7.13.
- (b) No part of the proceeds from the Committed Loans has been or will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve the Borrower in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). As used in this Section, the terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in said Regulation U.

5.14 Existing Indebtedness; Future Liens.

- (a) Except as described therein, Schedule 5.14 sets forth a complete and correct list of all outstanding Indebtedness of the Borrower and its Restricted Subsidiaries as of the Closing Date. Neither the Borrower nor any Restricted Subsidiary nor any Non-Recourse Pledgor is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Indebtedness of the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor and no event or condition exists with respect to any Indebtedness of the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Indebtedness to become due and payable before its stated maturity or before its regularly scheduled dates of payment.
- (b) Except as disclosed in Schedule 7.04, neither the Borrower nor any Restricted Subsidiary has agreed or consented to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien not permitted by Section 7.04.

5.15 Foreign Assets Control Regulations, etc.

(a) Neither the Borrower nor any Controlled Entity is (i) a Person whose name appears on the list of Specially Designated Nationals and Sanctioned Persons published by OFAC (an "OFAC Listed Person") or any Sanctions-related list of designated Persons maintained by the U.S. Department of State, or by the United Nations

Security Council, the European Union, any European Union member state or Her Majesty's Treasury of the United Kingdom (ii) an agent, department, or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, (x) any OFAC Listed Person or (y) any Person, entity, organization, foreign country or regime that is subject to any Sanctions, (iii) any Person operating, organized or resident in a Sanctioned Country, or (iv) otherwise blocked, subject to sanctions under or engaged in any activity in violation of other United States economic sanctions, including but not limited to, the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Comprehensive Iran Sanctions, Accountability and Divestment Act ("CISADA") or any similar law or regulation with respect to Iran or any other country, the Sudan Accountability and Divestment Act, or any Sanctions (each OFAC Listed Person and each other Person, entity, organization and government of a country described in clause (i), clause (ii), clause (iii) or clause (iv), a "Sanctioned Person"). Neither the Borrower nor any Controlled Entity has been notified that its name appears or may in the future appear on a state list of Persons that engage in investment or other commercial activities in Iran or any other country that is subject to Sanctions.

(b) No part of the proceeds from the Committed Loans constitutes or will constitute funds obtained on behalf of any Sanctioned Person or will otherwise be used by the Borrower or any Controlled Entity, directly or indirectly, (i) in connection with any investment in, or any transactions or dealings with, any Sanctioned Person, or (ii) otherwise in violation of Sanctions.

(c) Neither the Borrower nor any Controlled Entity (i) has been found in violation of, charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under the Currency and Foreign Transactions Reporting Act of 1970 (otherwise known as the Bank Secrecy Act), the USA PATRIOT Act or any other United States law or regulation governing such activities (collectively, "Anti-Money Laundering Laws") or any Sanctions violations, (ii) to the Borrower's actual knowledge after making due inquiry, is under investigation by any Governmental Authority for possible violation of Anti-Money Laundering Laws or any Sanctions violations, (iii) has been assessed civil penalties under any Anti-Money Laundering Laws or any Sanctions, or (iv) has had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. The Borrower has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the Borrower and each Controlled Entity is and will continue to be in compliance with all applicable current and future Anti-Money Laundering Laws and Sanctions.

(d) (i) The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Borrower, its Restricted Subsidiaries and their respective directors, officers, employees and agents with all laws, rules, and regulations of any jurisdiction applicable to the Borrower or any of its Affiliates from time to time concerning or relating to bribery or corruption, including, without limitation, the FCPA and the U.K. Bribery Act 2010 (collectively, "Anti-Corruption Laws") and applicable Sanctions, and the Borrower, its Restricted Subsidiaries and their respective officers and employees and to the knowledge of the Borrower its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrower, any Restricted Subsidiary or any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any Restricted Subsidiary that will act in any capacity in connection with or benefit from the loan facility established hereby, is a Sanctioned Person. No use of proceeds from the Committed Loans or other transaction contemplated by this Agreement will violate any Anti-Corruption Law or applicable Sanctions. Neither the Borrower nor any Controlled Entity (i) to the Borrower's actual knowledge after making due inquiry, is under investigation by any U.S. or non-U.S. Governmental Authority for possible violation of Anti-Corruption Laws, (ii) has been assessed civil or criminal penalties under any Anti-Corruption Laws or (iii) has been or is the target of Sanctions imposed by the United Nations or the European Union;

(ii) To the Borrower's actual knowledge after making due inquiry, neither the Borrower nor any Controlled Entity has, within the last five years, directly or indirectly offered, promised, given, paid or authorized the offer, promise, giving or payment of anything of value to a governmental official or a commercial counterparty for the purposes of: (i) influencing any act, decision or failure to act by such governmental official in his or her official capacity or such commercial counterparty, (ii) inducing a governmental official to do or omit to do any act in violation of the governmental official's lawful duty, or (iii) inducing a governmental official or a commercial counterparty to use his or her influence with a government or instrumentality to affect any act or decision of such government or entity; in each case in order to obtain, retain or direct business or to otherwise secure an improper advantage; and

(iii) No part of the proceeds from the Committed Loans will be used, directly or indirectly, for any improper payments, including bribes, to any governmental official or commercial counterparty in order to obtain, retain or direct business or obtain any improper advantage. The Borrower has established procedures and controls which it reasonably believes are adequate (and otherwise comply with applicable law) to ensure that the

Borrower and each Controlled Entity is and will continue to be in compliance with all applicable current and future Anti-Corruption Laws.

5.16 Status under Certain Statutes.

Neither the Borrower nor any Restricted Subsidiary nor any Non-Recourse Pledgor is subject to regulation under the Investment Company Act of 1940, as amended, the Public Utility Holding Company Act of 2005, as amended, the ICC Termination Act, as amended, or the Federal Power Act, as amended.

5.17 Environmental Matters.

(a) Neither the Borrower nor any Restricted Subsidiary has knowledge of any claim or has received any notice of any claim, and no proceeding has been instituted raising any claim against the Borrower or any Restricted Subsidiary or any of their respective real properties now or formerly owned, leased or operated by any of them or other assets, alleging any damage to the environment or violation of any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(b) Neither the Borrower nor any Restricted Subsidiary has knowledge of any facts which would give rise to any claim, public or private, of violation of Environmental Laws or damage to the environment emanating from, occurring on or in any way related to real properties now or formerly owned, leased or operated by any of them or to other assets or their use, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect.

(c) Neither the Borrower nor any Restricted Subsidiary has stored any Hazardous Materials on real properties now or formerly owned, leased or operated by any of them and has not disposed of any Hazardous Materials in a manner contrary to any Environmental Laws in each case in any manner that could reasonably be expected to result in a Material Adverse Effect.

(d) All buildings on all real properties now owned, leased or operated by the Borrower or any Restricted Subsidiary are in compliance with applicable Environmental Laws, except where failure to comply could not reasonably be expected to result in a Material Adverse Effect.

5.18 Solvency.

After giving effect to the execution of this Agreement and the other Loan Documents by each Loan Party and the application of the proceeds of the Committed Loans and due consideration to any rights of contribution and reimbursement, the Borrower is, and the Borrower and the Subsidiary Guarantors taken as a whole are, Solvent.

5.19 Common Enterprise

The successful operation and condition of each of the Loan Parties is dependent on the continued successful performance of the functions of the group of the Loan Parties as a whole and the successful operation of each of the Loan Parties is dependent on the successful performance and operation of each other Loan Party. Each Loan Party expects to derive benefit (and its board of directors or other governing body has determined that it may reasonably be expected to derive benefit), directly and indirectly, from (a) successful operations of each of the other Loan Parties and (b) the credit extended by the Lenders to the Borrower hereunder, both in its own capacity and as a member of the group of companies. Each Loan Party has determined that execution, delivery, and performance of this Agreement and any other Loan Documents to be executed by such Loan Party are within its purpose, in furtherance of its direct and/or indirect business interests, will be of direct and/or indirect benefit to such Loan Party, and are in its best interest.

5.20 ~~EEA~~Affected Financial Institution.

No Loan Party is an ~~EEA~~Affected Financial Institution.

Article VI
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Committed Loan or other Obligation hereunder shall remain unpaid or unsatisfied.

6.01 Financial and Business Information

The Borrower will deliver to the Administrative Agent for delivery to each Lender:

(a) Quarterly Statements — within 60 days after the end of each quarterly fiscal period in each fiscal year of the Borrower (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of,

- (i) a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such quarter,
- (ii) consolidated statements of income of the Borrower and its Subsidiaries for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter, and
- (iii) consolidated statements of cash flows of the Borrower and its Subsidiaries for such quarter or (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter,

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments, provided that delivery within the time period specified above of copies of the Borrower's Quarterly Report on Form 10-Q prepared in compliance with the requirements therefor and filed with the Securities and Exchange Commission shall be deemed to satisfy the requirements of this Section 6.01(a), *provided, further, that the Borrower shall be deemed to have made such delivery of such Form 10-Q if it shall have timely made such Form 10-Q available on "EDGAR" and on its home page on the worldwide web (at the Closing Date located at: <http://www.tetratex.com>) and shall have given the Administrative Agent prior notice of such availability on EDGAR and on its home page in connection with each delivery (such availability and notice thereof being referred to as "Electronic Delivery");*

(b) Annual Statements — within 105 days after the end of each fiscal year of the Borrower, duplicate copies of,

- (i) a consolidated balance sheet of the Borrower and its Subsidiaries, as at the end of such year, and
- (ii) consolidated statements of income, changes in shareholders' equity and cash flows of the Borrower and its Subsidiaries, for such year,

setting forth, in each case in comparative form, the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion of independent certified public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit), which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances, provided that the delivery within the time period specified above of the Borrower's Annual Report on Form 10-K for such fiscal year (together with the Borrower's annual report to shareholders, if any, prepared pursuant to Rule 14a-3 under the Exchange Act) prepared in accordance with the requirements therefor and filed with the Securities and Exchange Commission shall be deemed to satisfy the requirements of this Section 6.01(b), *provided, further, that the Borrower shall be deemed to have made such delivery of such Form 10-K if it shall have timely made Electronic Delivery thereof;*

(c) Unrestricted Subsidiaries — if, at the time of delivery of any financial statements pursuant to Section 6.01(a) or (b), Unrestricted Subsidiaries account for more than 10% of (i) the Consolidated Total Assets of the Borrower and its Subsidiaries reflected in the consolidated balance sheet included in such financial statements or (ii) the consolidated revenues of the Borrower and its Subsidiaries reflected in the consolidated statement of income included in such financial statements, an unaudited balance sheet for all Unrestricted Subsidiaries taken as whole as at the end of the fiscal period included in such financial statements and the related unaudited statements of income, stockholders' equity and cash flows for such Unrestricted Subsidiaries for such period, together with consolidating

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statements reflecting all eliminations or adjustments necessary to reconcile such group financial statements to the consolidated financial statements of the Borrower and its Subsidiaries, shall be delivered together with the financial statements required pursuant to Sections 6.01(a) and (b);

(d) Budget — unless a Lender delivers a notice to the Borrower that such Lender does not wish to receive such information (and until such time as such Lender delivers a further notice indicating that such information should be delivered to such Lender), as soon as available, and in any event no later than 60 days after the commencement of each fiscal year of the Borrower, a budget in form reasonably satisfactory to the Lenders (including budgeted statements of income for each of the Borrower's and its Restricted Subsidiaries' business units and sources and uses of cash and balance sheets), prepared by the Borrower for each month of such fiscal year in detail, of the Borrower and its Restricted Subsidiaries, with appropriate presentation and discussion in reasonable detail of the principal assumptions upon which such budget is based, accompanied by a certificate of a Senior Financial Officer certifying that such budget is a reasonable estimate for the period covered thereby;

(e) SEC and Other Reports — promptly upon their becoming available, one copy of (i) each financial statement, report, notice or proxy statement sent by the Borrower or any Restricted Subsidiary to public securities holders generally, and (ii) each regular or periodic report, each registration statement other than registration statements on Form S-8 (without exhibits except as expressly requested by such holder), and each prospectus and all amendments thereto filed by the Borrower or any Restricted Subsidiary

with the Securities and Exchange Commission and of all press releases and other statements made available generally by the Borrower or any Restricted Subsidiary to the public concerning developments that are Material;

(f) **Notice of Default or Event of Default** — promptly, and in any event within 10 days after a Responsible Officer becoming aware of the existence of any Default or Event of Default or that any Person has given any notice or taken any action with respect to a claimed default hereunder or that any Person has given notice or taken any action with respect to a claimed default of the type referred to in Section 8.01(g), a written notice specifying the nature and period of existence thereof and what action the Borrower is taking or proposes to take with respect thereto;

(g) **ERISA Matters** — promptly, and in any event within 10 days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Borrower or an ERISA Affiliate proposes to take with respect thereto:

(i) with respect to any Plan, any reportable event, as defined in section 4043(b) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the Closing Date; or

(ii) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Borrower or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(iii) any event, transaction or condition that could result in the incurrence of any liability by the Borrower or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of the Borrower or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or Lien, taken together with any other such liabilities or Liens then existing, could reasonably be expected to have a Material Adverse Effect;

(h) **Notices from Governmental Authority** — promptly, and in any event within 30 days of receipt thereof, copies of any notice to the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor from any Federal or state Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect;

(i) **Requested Information** — with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor or relating to the ability of the Borrower to perform its obligations hereunder as from time to time may be reasonably requested by any such Lender; and

(j) **ABL Facility Availability** — contemporaneously with the delivery to the ABL Administrative Agent or the ABL Lenders, such data as necessary to re-determine Availability (as defined in the ABL Credit

Agreement) and, as of the period then ended, a Borrowing Base Certificate (as defined in the ABL Credit Agreement) and supporting information in connection therewith, in each case as delivered to the ABL Administrative Agent or the ABL Lenders under the ABL Credit Agreement, together with any additional reports with respect to the Borrowing Base (as defined in the ABL Credit Agreement) as may be delivered to the ABL Administrative Agent or the ABL Lenders under the ABL Credit Agreement.

6.02 **Officer's Certificate.**

(a) Each set of financial statements delivered to the Administrative Agent for delivery to each Lender pursuant to Section 6.01(a) or (b) shall be accompanied by a certificate of a Senior Financial Officer in substantially the form of Exhibit G hereto setting forth (which, in the case of Electronic Delivery of any such financial statements, shall be by separate concurrent delivery of such certificate to the Administrative Agent):

(i) **Covenant Compliance** — the information (including detailed calculations) required in order to establish whether the Borrower was in compliance with the requirements of Article VII during the quarterly or annual period covered by the statements then being furnished (including with respect to each such Article, where applicable, the calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Section, and the calculation of the amount, ratio or percentage then in existence); and

(ii) **Event of Default** — a statement that such officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Borrower and its Restricted Subsidiaries from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists (including any such event or condition resulting from the failure of the Borrower or any Restricted Subsidiary to comply with any Environmental Law), specifying the nature and period of existence thereof and what action the Borrower shall have taken or proposes to take with respect thereto.

(b) Concurrently with the delivery of any officer's certificate pursuant to Section 5.01(c) of the ABL Credit Agreement (or any successor provision), the Borrower shall deliver a copy of such officer's certificate to the Administrative Agent.

6.03 Inspection.

The Borrower will permit the representatives of the Administrative Agent and each Lender:

(a) **No Default** — if no Default or Event of Default then exists, at the expense of such Person and upon reasonable prior notice to the Borrower, to visit the principal executive office of the Borrower, to discuss the affairs, finances and accounts of the Borrower and its Restricted Subsidiaries with the Borrower's officers, and (with the consent of the Borrower, which consent will not be unreasonably withheld) its independent public accountants, and (with the consent of the Borrower, which consent will not be unreasonably withheld) to visit the other offices and properties of the Borrower and each Restricted Subsidiary, all at such reasonable times and as often as may be reasonably requested in writing; and

(b) **Default** — if a Default or Event of Default then exists, at the expense of the Borrower, to visit and inspect any of the offices or properties of the Borrower or any Restricted Subsidiary, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances, and accounts with their respective officers and independent public accountants (and by this provision the Borrower authorizes said accountants to discuss the affairs, finances and accounts of the Borrower and its Restricted Subsidiaries), all at such times and as often as may be requested.

6.04 Compliance with Law.

The Borrower will, and will cause each Restricted Subsidiary and each Non-Recourse Pledgor to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject, including Environmental Laws and the USA PATRIOT Act and the other laws and regulations that are referred to in Section 5.15, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of their respective properties or to the conduct of their respective businesses, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits,

franchises and other governmental authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.05 Insurance.

The Borrower will, and will cause each Restricted Subsidiary and each Non-Recourse Pledgor to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is reasonable in the case of entities of established reputations engaged in the same or a similar business and similarly situated.

6.06 Maintenance of Properties.

The Borrower will, and will cause each Restricted Subsidiary to, maintain and keep, or cause to be maintained and kept, their respective properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, provided that this Section shall not prevent the Borrower or any Restricted Subsidiary from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and the Borrower has concluded that such discontinuance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.07 Payment of Taxes and Claims.

The Borrower will, and will cause each Restricted Subsidiary and each Non-Recourse Pledgor to, file all Tax returns required to be filed in any jurisdiction and to pay and discharge when due all Taxes shown to be due and payable on such returns and all other Taxes, assessments, governmental charges, or levies imposed on them or any of their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent and all claims for which sums have become due and payable that have or might become a Lien on properties or assets of the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor, provided that neither the Borrower nor any Restricted Subsidiary nor any Non-Recourse Pledgor need pay any such tax or assessment or claims if (i) the amount, applicability or validity thereof is contested by the Borrower or such Restricted Subsidiary or Non-Recourse Pledgor on a timely basis in good faith and in appropriate proceedings, and the Borrower or a Restricted Subsidiary or Non-Recourse Pledgor has established adequate reserves therefor in accordance with GAAP on the books of the Borrower or such Restricted Subsidiary or Non-Recourse Pledgor, as the case may be or (ii) the non-filing of such returns or nonpayment of all such Taxes and assessments in the aggregate could not reasonably be expected to have a Material Adverse Effect.

6.08 Corporate Existence, etc.

Subject to Section 7.05, the Borrower will at all times preserve and keep in full force and effect its corporate existence. Subject to Sections 7.05 and 7.06, the Borrower will at all times preserve and keep in full force and effect the corporate, partnership or limited liability company existence of each of its Restricted Subsidiaries and Non-Recourse Pledgors (unless merged into the Borrower or a Restricted Subsidiary, or solely in the case of a Non-Recourse Pledgor, another Non-Recourse Pledgor) and all rights and franchises of the Borrower, its Restricted Subsidiaries and the Non-Recourse Pledgors unless, in the good faith judgment of the Borrower, the termination of or failure to preserve and keep in full force and effect such corporate, partnership or limited liability company existence, right or franchise could not, individually or in the aggregate, have a Material Adverse Effect.

6.09 Additional Subsidiary Guarantors and Non-Recourse Pledgors.

(a) The Borrower will cause any Material Domestic Subsidiary that is not an Unrestricted Subsidiary to enter into the Subsidiary Guaranty, the Security Agreement and (to the extent applicable) the Intellectual Property Security Agreement, pursuant to which such Subsidiary shall guarantee the Borrower's obligations under this Agreement and grant liens and security interests in its personal property that constitutes Collateral concurrently therewith, respectively, and as a part thereof, solely in connection with any Subsidiary Guarantor that becomes such after the Closing Date, to deliver to the Administrative Agent within 30 days thereof (or such later date as Administrative Agent may agree):

- (i) a copy of an executed joinder to the Subsidiary Guaranty;
- (ii) a copy of an executed supplement and assumption agreement to the Security Agreement;

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- (iii) a copy of an executed supplement and assumption agreement to the Intellectual Property Security Agreement (if applicable); and
- (iv) a certificate signed by a Responsible Officer of the Borrower confirming the accuracy of the representations and warranties in Sections 5.02, 5.06, 5.07 and 5.18, with respect to such Subsidiary, the Subsidiary Guaranty and the Security Agreement, as applicable.

(b) The Borrower will cause any Subsidiary that is a Non-Recourse Pledgor to enter into the Security Agreement and (to the extent applicable) the Intellectual Property Security Agreement, pursuant to which such Subsidiary shall grant liens and security interests in, in the case of the Security Agreement, its personal property that constitutes Collateral and, in the case of the Intellectual Property Security Agreement, its personal property that constitutes IP Collateral (as defined in the Intellectual Property Security Agreement) concurrently therewith, and as a part thereof, solely in connection with any Non-Recourse Pledgor that becomes such after the Closing Date, to deliver to the Administrative Agent within 30 days thereof (or such later date as Administrative Agent may agree):

- (i) a copy of an executed supplement and assumption agreement to the Security Agreement;
- (ii) a copy of an executed supplement and assumption agreement to the Intellectual Property Security Agreement (if applicable); and
- (iii) a certificate signed by a Responsible Officer of the Borrower confirming the accuracy of the representations and warranties in Sections 5.02, 5.06 and 5.07, with respect to such Subsidiary and the Security Agreement, as applicable.

(c) In connection with the foregoing, the Borrower shall execute and deliver such other additional closing documents, certificates and legal opinions as shall reasonably be requested by the Administrative Agent (including, without limitation, any documents or actions necessary to perfect the Administrative Agent's security interest in any Pledged Compressco Units, including the security interest in the general partner interests of Compressco after June 30, 2021 as provided for in the definition of Pledged Compressco Units).

6.10 Books and Records.

The Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, maintain proper books of record and account in conformity with GAAP and all applicable requirements of any Governmental Authority having legal or regulatory jurisdiction over the Borrower or such Subsidiary, as the case may be. The Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, keep books, records and accounts which, in reasonable detail, accurately reflect all transactions and dispositions of assets. The Borrower, its Restricted Subsidiaries and the Non-Recourse Pledgors have devised a system of internal accounting controls sufficient to provide reasonable assurances that their respective books, records, and accounts accurately reflect all transactions and dispositions of assets and the Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, continue to maintain such system.

6.11 Margin Regulations.

If requested by any Lender, the Borrower will furnish to such Lender a statement confirming compliance with Regulations U, T and X of the Board of Governors of the Federal Reserve System in conformity with the requirements of Form FR U-1 or Form FR G-3, as applicable.

6.12 Additional Collateral, Further Assurances

(a) Subject to the Term/ABL Intercreditor Agreement and the definition of Pledged Compressco Units, each Loan Party will cause (i) 100% of the issued and outstanding Equity Interests of each of its Domestic Subsidiaries directly owned by such Loan Party, and (ii) 65% 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 such Loan Party, in each case, to be subject at all times to a 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.

(b) Subject to the terms of the Term/ABL Intercreditor Agreement, the Borrower will take, and will cause the other Loan Parties to take, all actions that are necessary or appropriate to (a) maintain the Administrative

Agent's security interest in the Collateral in full force and effect at all times (including the perfection and priority thereof), (b) preserve and protect the Collateral and (c) protect and enforce the Borrower's and the other Loan Parties' respective rights and title to, and the security interest of the Administrative Agent in, the Collateral; provided, however, that the Administrative Agent and the Lenders shall release any Lien upon any Collateral that is the subject of a Disposition permitted under the terms of this Agreement. The Borrower will execute, and will cause the other Loan Parties to execute, acknowledge where appropriate, and deliver, and cause to be executed, acknowledged where appropriate, and delivered, from time to time promptly at the reasonable request of the Administrative Agent (at the direction of the Required Lenders), all such instruments and documents as are necessary or appropriate to carry out the intents and purposes of the Loan Documents, including any instruments and documents (including filings, recordings or registrations required to be filed in respect of any Collateral Document or assignment thereto) necessary to maintain, to the extent permitted by applicable law, the Administrative Agent's perfected security interest in the Collateral to the extent and in the priority required pursuant to this Agreement and the Collateral Documents.

(c) Upon the exercise by the Administrative Agent or any Lender of any power, right, privilege or remedy pursuant to this Agreement or the other Loan Documents which requires any consent, approval, recording, qualification or authorization of any Governmental Authority, execute and deliver, or cause the execution and delivery of, all applications, certifications, instruments and other documents and papers that the Administrative Agent or such Lender may be required to obtain from the Borrower or any of its Restricted Subsidiaries for such governmental consent, approval, recording, qualification or authorization.

(d) If any material assets (excluding any real property and any other Excluded Assets) are acquired by any Loan Party after the Effective Date (other than assets constituting Collateral under the Security Agreement or any other Collateral Document that become subject to the Lien under the Security Agreement or such other Collateral Document 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 Obligations and (ii) take, and cause each applicable Loan Party 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 (c) of this Section 6.12, all at the expense of the Loan Parties but only to the extent required by the Collateral Documents.

6.13 Use of Proceeds. The Borrower shall not, and shall cause each Restricted Subsidiary and Non-Recourse Pledgor not to, use the proceeds of the Committed Loans for purposes in contravention of Section 7.13.

6.14 Security. The Obligations shall be secured by first and prior perfected Liens covering and encumbering all Collateral owned by the Loan Parties as set forth in the Collateral Documents and subject to the Term/ABL Intercreditor Agreement. The Borrower hereby consents and authorizes Administrative Agent, and its agents, to file any and all necessary financing statements under the Uniform Commercial Code (as in effect in each applicable jurisdiction from time to time), assignments or continuation statements as necessary from time to time (in Administrative Agent's discretion, acting at the written direction of the Required Lenders) to perfect (or continue perfection of) the Liens granted pursuant to the Loan Documents.

6.15 Environmental Law Compliance. The Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, comply with all Environmental Laws (including, without limitation, (a) all licensing, permitting, notification and similar requirements of Environmental Laws, and (b) all provisions of all Environmental Laws regarding storage, discharge, release, transportation, treatment and disposal of Hazardous Materials), in each case a violation of which would result in a Material Adverse Effect. The Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, promptly pay and discharge when due all legal debts, claims, liabilities and obligations with respect to any clean-up or remediation measures necessary to comply with Environmental Laws, except to the extent the failure to so pay and discharge such items would not reasonably be expected to have a Material Adverse Effect; provided, however, no payment of such debts, claims, liabilities and obligations shall be required if (i) the amount, applicability or validity thereof is currently being contested in good faith by appropriate proceedings and no material part of the property or assets of the Borrower, any Restricted Subsidiaries or any Non-Recourse Pledgors is subject to any pending levy or execution, and (ii) the Borrower, the Restricted Subsidiaries or the Non-Recourse Pledgors, as and to the extent required in accordance with GAAP, shall have set aside on their books reserves (segregated to the extent required by GAAP) deemed by them to be adequate with respect thereto.

6.16 Compliance with Agreements. The Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, observe, perform or comply with any agreement with any Person or any term or condition of any instrument, if such agreement or instrument is materially significant to the Borrower, such Restricted

Subsidiaries and such Non-Recourse Pledgors on a consolidated basis or materially significant to any such Person, unless any such failure to so observe, perform or comply is remedied within the applicable period of

grace (if any) provided in such agreement or instrument or unless such failure to so observe, perform or comply would not reasonably be expected to have a Material Adverse Effect.

6.17 Payment of Obligations. The Borrower will, and will cause each of its Restricted Subsidiaries and Non-Recourse Pledgors to, pay and discharge as the same become due and payable, all its material obligations and liabilities, including (a) all material lawful claims which, if unpaid, would by law become a Lien upon its property and (b) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness; *provided, however*, no such payment shall be required if (i) the amount, applicability or validity thereof is currently being contested in good faith by appropriate proceedings and no material part of the property or assets of the Borrower, any Restricted Subsidiaries or any Non-Recourse Pledgors is subject to any pending levy or execution, and (ii) the Borrower, the Restricted Subsidiaries or the Non-Recourse Pledgors, as and to the extent required in accordance with GAAP, shall have set aside on their books reserves (segregated to the extent required by GAAP) deemed by them to be adequate with respect thereto.

6.18 Post-Closing Covenants.

(a) Subject to the Intercreditor Agreement, no later than thirty (30) days following the Closing Date (or such later date as the Required Lenders may agree to in their sole discretion), with respect to any deposit account, securities account or commodity account of the Borrower or any Restricted Subsidiary other than any Excluded Deposit Accounts (Accounts as defined in the Security Agreement), within thirty (30) days following the Closing Date, the Borrower will, or will cause the applicable Restricted Subsidiary to, either (i) close such account, provide evidence of such closure satisfactory to the Administrative Agent, and transfer the remaining balance of such account, if any, to an account subject to a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, or (ii) provide to the Administrative Agent a Deposit Account Control Agreement, Securities Account Control Agreement or Commodity Account Control Agreement, as applicable, for such account in accordance with Section 4.14 of the Security Agreement.

(b) No later than thirty (30) days following the Closing Date (or such later date as the Required Lenders may agree to in their sole discretion), the Borrower will deliver to the Administrative Agent an executed signature page to the Security Agreement, for the sole purpose of Article XI thereof, from each Restricted Subsidiary that is not a Subsidiary Guarantor to the extent not previously delivered; *provided* that such signature pages shall not be required for the following Restricted Subsidiaries: (i) Tetra-Medit Oil Services (Libya) Company, (ii) TETRA Yemen for Oilfield Services Co., Ltd., (iii) TETRA Technologies de Venezuela, S.A., (iv) TETRA Technologies Nigeria Limited, (v) TETRA International Holdings, B.V., (vi) TETRA Netherlands, B.V. and (vii) T-International Holdings C.V.

Article VII
NEGATIVE COVENANTS

7.01 Interest Coverage Ratio. The Borrower shall not permit the Interest Coverage Ratio at the end of any of its fiscal quarters, commencing with the fiscal quarter ending on September 30, 2018, to be less than 1.0 to 1.0.

7.02 Indebtedness.

The Borrower will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, incur, assume or permit to exist any Indebtedness, except:

(a) the incurrence by the Borrower and the Subsidiary Guarantors of Indebtedness under the Loan Documents;

(b) Indebtedness incurred under the ABL Facility and any Guaranty thereof (subject to the terms of the Term/ABL Intercreditor Agreement) (i) with aggregate outstanding lending commitments not to exceed \$110,000,000, (ii) with a non-default interest rate not exceeding (x) in the case of "Term Benchmark Loans" (as defined in the ABL Credit Agreement) or their equivalent, the "Adjusted **LBO Term SOFR** Rate" (as defined in the ABL Credit Agreement) plus 3.50% at any time, (y) in the case of "ABR Loans" (as defined in the ABL Credit Agreement) or their equivalent, the "Alternate Base Rate" (as defined in the ABL Credit Agreement) plus 2.50% at any time, and (z) in the case of "RFR Loans" (as defined in the ABL Credit Agreement) or their equivalent, the "Daily Simple RFR" (as defined in the ABL Credit Agreement) plus 3.50% at any time, (iii) secured by the Collateral, subject to the terms of the Term/ABL Intercreditor Agreement, and by the UK Borrower Collateral, if any, and (iv) with a maturity date no earlier than two (2) years prior to the Scheduled Maturity Date;

(c) Indebtedness existing on the date hereof and set forth in Schedule 5.14;

(d) Indebtedness between the Borrower and any Restricted Subsidiary or between Restricted Subsidiaries, to the extent not prohibited by Section 7.10;

(e) any Guaranty by any Restricted Subsidiary of Indebtedness of the Borrower or any other Restricted Subsidiary or any Guaranty by the Borrower of any Indebtedness of any Restricted Subsidiary, all subject to Section 7.10;

(f) purchase money Indebtedness and Indebtedness under any Capital Lease in an aggregate amount not exceeding, at any one time outstanding, the greater of (i) \$20,000,000 or (ii) seven-and-a-half percent (7.5%) of EBITDA of the Borrower, determined on a consolidated basis, for the twelve (12) month period ending on the last day of the most recently ended fiscal quarter of the Borrower for which financial statements are available; *provided* that, after giving effect to the incurrence of such Indebtedness on a Pro Forma Basis, on the date such debt is incurred and all related transactions are consummated, the Leverage Ratio calculated on a Pro Forma Basis shall be less than 3.25:1.00;

(g) Indebtedness associated with workers' compensation claims, performance, bid, surety or similar bonds or surety obligations required by governmental requirements or third parties in connection with the operation of the businesses of the Borrower and the Restricted Subsidiaries;

(h) Indebtedness assumed or acquired in connection with any Acquisition permitted under Section 7.03(b), if such Indebtedness was not incurred in contemplation of such Acquisition subject to Section 7.02(m), *provided* such Indebtedness excludes Indebtedness for borrowed money other than purchase money Indebtedness and Indebtedness under Capital Leases; *provided, further*, that such Indebtedness is incurred prior to or within ninety (90) days after such acquisition;

(i) Indebtedness secured by Liens permitted pursuant to Section 7.04(o);

(j) endorsements of negotiable instruments for collection in the ordinary course of business;

(k) accounts payable and accrued expenses, liabilities or other obligations to pay the deferred purchase price of property or services, from time to time incurred in the ordinary course of business which are not greater than 60 days past the date of invoice or delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP; provided that the Borrower shall not, and shall not permit any Restricted Subsidiary to, permit the aggregate amount of Indebtedness incurred under this clause (k) pursuant to any Affiliate Transaction permitted under Section 7.10 to exceed \$10,000,000 at any one time outstanding;

(l) Indebtedness under Capital Leases incurred by the Borrower or any Restricted Subsidiary in respect of any Sale and Lease-Back Transaction that is permitted under Section 7.16;

(m) unsecured Indebtedness of any Loan Party pursuant to Hedging Contracts permitted by Section 7.17;

(n) Permitted Refinancing Indebtedness with respect to any Indebtedness permitted under clauses (a), (b), (c), (f), (h), (i), (l) and (p) of this Section 7.02; and

(o) unsecured Indebtedness and Subordinated Debt of the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgors; *provided* that, after giving effect to the incurrence of such Indebtedness on a Pro Forma Basis, together with all other outstanding Funded Indebtedness permitted to be incurred under this Section 7.02, on the date such debt is incurred and all related transactions, the Leverage Ratio calculated on a Pro Forma Basis shall be less than or equal to 3.25:1.00, and

(p) Indebtedness incurred by TETRA Chemicals Europe AB and/or TETRA Chemicals Europe OY pursuant to one or more asset-based credit facilities in an aggregate principal amount not to exceed SEK 75,000,000.

7.03 Capital Expenditures and Acquisitions.

(a) If, after giving effect thereto, the Leverage Ratio on a Pro Forma Basis would be greater than 3.00 to 1.00, then the Borrower will not, and will not permit any Restricted Subsidiary to, in any fiscal year of the

Restricted Subsidiary to, in any fiscal year of the Borrower permit the aggregate amount of all Capital Expenditures to exceed \$75,000,000 (or its equivalent in other currencies as of the date of each relevant transaction).

(b) If, after giving effect thereto, the Leverage Ratio on a Pro Forma Basis would be greater than 3.00 to 1.00, then the Borrower will not, and will not permit any Restricted Subsidiary to, in any fiscal year of the Borrower permit the aggregate amount of all Acquisitions (excluding Acquisitions funded with the proceeds of equity contributions made to the Borrower for the purposes of payment of the consideration payable in connection with such Acquisition) to exceed \$25,000,000 (or its equivalent in other currencies as of the date of each relevant transaction). If, after giving effect thereto, the Leverage Ratio on a Pro Forma Basis would be greater than 2.50 to 1.00 but less than 3.00 to 1.00, then the Borrower will not, and will not permit any Restricted Subsidiary to, in any fiscal year of the Borrower permit the aggregate amount of all Acquisitions (excluding Acquisitions funded with the proceeds of equity contributions made to the Borrower for the purposes of payment of the consideration payable in connection with such Acquisition) to exceed \$50,000,000 (or its equivalent in other currencies as of the date of each relevant transaction).

(c) Subject to the foregoing provisions of this Section 7.03, the Borrower and the Restricted Subsidiaries may at any time make any Acquisition or Capital Expenditure.

7.04 Liens.

The Borrower will not, and will not permit any Restricted Subsidiary to, permit to exist, create, assume or incur, directly or indirectly (which shall include, without limitation, any Lien on the Equity Interests of an Unrestricted Subsidiary directly owned by the Borrower or such Restricted Subsidiary), any Lien, on its properties or assets, whether now owned or hereafter acquired, except:

(a) Liens created under the ABL Loan Documents, which Liens (other than those on the UK Borrower Collateral) shall be subject to the terms of the Term/ABL Intercreditor Agreement;

(b) Liens for Taxes, assessments or governmental charges not then due and delinquent or the nonpayment of which is permitted by Section 6.07 and for which adequate reserves have been maintained in accordance with GAAP;

(c) Liens in connection with workers' compensation, unemployment insurance or other social security, old age pension or public liability obligations which are not overdue by more than 30 days or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;

(d) Liens arising solely by virtue of any statutory or common law provision relating to bankers' liens, rights of set-off or similar rights and remedies and burdening only deposit accounts or other funds maintained with a creditor depository institution;

(e) any attachment or judgment Lien, unless the judgment it secures has not, within 60 days after the entry thereof, been discharged or execution thereof stayed pending appeal, or has not been discharged within 60 days after the expiration of any such stay;

(f) Liens on cash or securities pledged to secure performance of tenders, surety and appeal bonds, government contracts, performance and return of money bonds, bids, trade contracts, leases, statutory or regulatory obligations and other obligations of a like nature incurred in the ordinary course of business;

(g) Liens incidental to the conduct of business or the ownership of properties and assets (whether arising by contract or by operation of law) incurred in the ordinary course of business and not in connection with the borrowing of money and that do not, in the aggregate, materially impair the use of such property in the operation of the business of the Borrower and its Restricted Subsidiaries taken as a whole or the value of such property for the purposes of such business;

(h) encumbrances in the nature of leases, subleases, zoning restrictions, easements, rights of way, minor survey exceptions and other rights and restrictions of record on the use of real property and defects in title arising or incurred in the ordinary course of business, which, individually and in the aggregate, do not materially

impair the use of such property or assets subject thereto in the business of the Borrower and its Restricted Subsidiaries taken as a whole;

(i) Liens resulting from extensions, renewals or replacements (so long as the same are permitted under this Agreement) of Liens permitted by paragraph (a), provided that (i) there is no increase in the principal amount or decrease in maturity of the Indebtedness secured thereby at the time of such extension, renewal or replacement other than as permitted under Section 7.02(b), and (ii) any new Lien attaches only to the same property theretofore subject to such earlier Lien;

(j) Liens (i) existing on property at the time of its acquisition by the Borrower or a Restricted Subsidiary and not created in contemplation thereof, regardless of whether the Indebtedness secured by such Lien is assumed by the Borrower or a Subsidiary or (ii) existing on property of a Person at the time such Person is merged or consolidated with, or becomes a Restricted Subsidiary of, or substantially all of its assets are acquired by, the Borrower or a Restricted Subsidiary and not created in contemplation thereof; *provided* that, in the case of each of clauses (i) and (ii), such Liens do not extend to additional property of the Borrower or any Restricted Subsidiary and that the aggregate principal amount of Indebtedness secured by each such Lien does not exceed the fair market value of the property subject thereto;

- (k) Liens arising out of Sale and Leaseback Transactions permitted by Section 7.16;
- (l) Liens securing Indebtedness incurred pursuant to Section 7.02(p);
- (m) Liens created under the Collateral Documents;
- (n) Liens imposed by laws, such as carriers', warehousemen's, landlord's, operators', vendors', suppliers', workers', materialmen's, construction, carriers', repairmen's, mechanics' or other like Liens, in each case, incurred in the ordinary course of business or incident to the exploration, development, operation and maintenance of oil and gas properties each of which is in respect of obligations that are not overdue by more than 30 days or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP;
- (o) Liens on pipelines or pipeline facilities that arise by operation of law;
- (p) [Reserved];
- (q) [Reserved];
- (r) contractual Liens which arise in the ordinary course of business under operating agreements, joint venture agreements, oil and gas partnership agreements, oil and gas leases, farm-out agreements, division orders, contracts for the sale, transportation or exchange of oil and natural gas, unitization and pooling declarations and agreements, area of mutual interest agreements, overriding royalty agreements, marketing agreements, processing agreements, net profits agreements, development agreements, gas balancing or deferred production agreements, injection, repressuring and recycling agreements, salt water or other disposal agreements, seismic or other geophysical permits or agreements, and other agreements which are usual and customary in the Related Businesses and are for claims which are not overdue by more than 30 days or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP, if any such Lien referred to in this clause does not materially impair the use of the property covered by such Lien for the purposes for which such property is held by the Borrower or any Restricted Subsidiary or materially impair the value of such property subject thereto;
- (s) [Reserved];
- (t) Liens created pursuant to Capital Leases or purchase money Indebtedness permitted pursuant to Section 7.02(f), if such Liens are only in respect of property or assets subject to, and secured only by, the respective Capital Leases or purchase money Indebtedness; and
- (u) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness within one year of maturity thereof.

The Borrower will not, and will not permit any Restricted Subsidiary or Non-Recourse Pledgor to, permit to exist, create, assume or incur, directly or indirectly, any Lien for borrowed money or any consensual Liens of any

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type on the Compressco Units owned by the Borrower, such Restricted Subsidiary or such Non-Recourse Pledgor other than as contemplated under this Agreement and the Collateral Documents.

7.05 Fundamental Changes. The Borrower will not, and will not permit any Restricted Subsidiary nor any Non-Recourse Pledgor to, consolidate with or merge with any other Person or convey, transfer, sell or lease all or substantially all of its assets in a single transaction or series of transactions to any Person except that:

- (a) the Borrower may consolidate or merge with any other Person or convey, transfer, sell or lease all or substantially all of its assets in a single transaction or series of transactions to any Person, provided that:
 - (i) the successor formed by such consolidation or the survivor of such merger or the Person that acquires by conveyance, transfer, sale or lease all or substantially all of the assets of the Borrower as an entirety, as the case may be, is a solvent corporation or limited liability company organized and existing under the laws of the United States or any state thereof (including the District of Columbia), and, if the Borrower is not such corporation or limited liability company, such entity (y) shall have executed and delivered to the Administrative Agent its assumption of the due and punctual performance and observance of each covenant and condition of the Loan Documents and (z) shall have caused to be delivered to the Administrative Agent an opinion of independent counsel reasonably satisfactory to the Required Lenders, to the effect that all agreements or instruments effecting such assumption are enforceable in accordance with their terms and comply with the terms hereof (provided that if the Borrower effects a reorganization pursuant to Section 251(g) of the Delaware General Corporation Law, whereby, among other things, the Equity Interests issued by it become owned by a holding company, no such opinion shall be required); and

(ii) immediately before and after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing;

(b) Any Restricted Subsidiary or Non-Recourse Pledgor may (x) merge into the Borrower (provided that the Borrower is the surviving entity) or sell, transfer or lease all or any part of its assets to the Borrower or a Restricted Subsidiary or (y) merge into or sell, transfer or lease all or any part of its assets to a Restricted Subsidiary, or (z) merge or consolidate with, or sell, transfer or lease all or substantially all of its assets to, any Person in a transaction that is permitted by Section 7.06 or, as a result of which, such Person becomes a Restricted Subsidiary; *provided*, in each instance set forth in clauses (x) through (z) that, immediately before and after giving effect thereto, there shall exist no Default or Event of Default and further provided that (i) a Subsidiary Guarantor may not merge into, or sell all or substantially all of its assets to, (A) a Restricted Subsidiary that is not a Subsidiary Guarantor or (B) to a Person that becomes a Restricted Subsidiary, unless, concurrently therewith such Restricted Subsidiary becomes a party to the Subsidiary Guaranty and the Security Agreement and the Borrower delivers to the Administrative Agent the documents required by Sections 6.09(a)(i) through (iii) in respect of such Restricted Subsidiary and (ii) a Non-Recourse Pledgor may not merge into, or sell all or substantially all of its assets to, (A) a Restricted Subsidiary that is not a Non-Recourse Pledgor or a Subsidiary Guarantor or (B) to a Person that becomes a Restricted Subsidiary, unless, concurrently therewith such Restricted Subsidiary becomes a party to the Security Agreement and the Borrower delivers to the Administrative Agent the documents required by Sections 6.09(b)(i) and (ii) in respect of such Restricted Subsidiary.

No such conveyance, transfer, sale or lease of all or substantially all of the assets of the Borrower shall have the effect of releasing the Borrower or any successor corporation that shall theretofore have become such in the manner prescribed in this Section 7.05 from its liability under the Loan Documents.

7.06 Dispositions. Except as permitted by Section 7.05, the Borrower will not, and will not permit any Restricted Subsidiary and, solely with respect to clause (d) of this Section 7.06, any Non-Recourse Pledgor to, consummate any Disposition, in one or a series of transactions, to any Person, other than:

- (a) Dispositions in the ordinary course of business;
- (b) Dispositions by the Borrower to a Restricted Subsidiary or by a Restricted Subsidiary to the Borrower or a Restricted Subsidiary;
- (c) Dispositions of obsolete, worn out or surplus equipment in an aggregate amount not to exceed \$1,000,000 in any fiscal year;
- (d) Dispositions not otherwise permitted by Section 7.06(a), Section 7.06(b) or Section 7.06(c); *provided* that (i) no Default or Event of Default exists or would result therefrom, (ii) at least 75% of the total consideration for any such Disposition shall be received by the Borrower and its Restricted Subsidiaries or

applicable Non-Recourse Pledgor in the form of cash and Cash Equivalents (in each case, free and clear of all Liens at the time received, other than non-consensual Liens permitted by Section 7.04); (iii) the fair market value of the assets subject to such Disposition (or series of related Dispositions) does not to exceed \$50,000,000 in any fiscal year of the Borrower; (iv) the requirements of Section 2.04(b)(ii), to the extent applicable, are complied with in connection with any such Disposition; and (v) restrictions pursuant to any other agreement governing the issuance of Indebtedness permitted hereunder; *provided* that such restrictions and conditions are customary for such Indebtedness as reasonably determined in the good faith judgment of the Borrower and do not prohibit, restrict or otherwise limit the ability of the Borrower or any Restricted Subsidiary (to the extent such Restricted Subsidiary is required to be or become a Loan Party by the terms of this Agreement) to repay and/or guarantee the Committed Loans and the other Obligations.

- (e) Sale and Leaseback Transactions permitted by Section 7.16;
- (f) Any prepayment of Committed Loans pursuant to the foregoing provisions of this Section 7.06 shall be in accordance with Section 2.04(b)(ii), as applicable;

provided that any Dispositions permitted under clauses (a) or (c) above shall be made for (i) fair value and (ii) at least seventy-five percent (75%) cash consideration.

7.07 Burdensome Agreements. The Borrower will not, and will not permit any Restricted Subsidiary to, enter into any Contractual Obligation (other than this Agreement, any other Loan Document or the ABL Credit Agreement or any other ABL Loan Document) that (a) limits the ability (i) of any Restricted Subsidiary to make Restricted Payments to the Borrower or any Restricted Subsidiary or to otherwise transfer property to the Borrower or any Restricted Subsidiary, (ii) of any Restricted Subsidiary to Guarantee the Obligations of the Borrower or (iii) of the Borrower or any Restricted Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person in favor of the Administrative Agent and the Lenders securing the Obligations; *provided*, however, that this clause (iii) shall not prohibit any negative pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 7.02(f) solely to the extent any such negative pledge relates to the property financed by or the subject of such Indebtedness; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person. The foregoing shall not prevent (i) restrictions on the transfer of Equity Interests not pledged as Collateral in Unrestricted Subsidiaries, (ii) customary non-assignment provisions in leases and other agreements entered into in the ordinary course of business, (iii) any restriction with respect to assets imposed pursuant to any agreement otherwise permitted hereunder entered into for the Disposition of such assets prior to the closing of such Disposition and (iv) restrictions on the transfer or pledge of interests in any personal property constituting Excluded Assets.

7.08 Designation of Restricted and Unrestricted Subsidiaries.

(a) Unless designated as an Unrestricted Subsidiary in accordance with Section 7.08(b), any Person (other than Compressco, any other Unrestricted Subsidiary existing on the Closing Date or any future subsidiaries of any of the foregoing Unrestricted Subsidiaries) that becomes a Subsidiary of the Company or any of its Restricted Subsidiaries shall be classified as a Restricted Subsidiary.

(b) The Borrower may designate any Restricted Subsidiary as an Unrestricted Subsidiary and any Unrestricted Subsidiary as a Restricted Subsidiary by notice in writing given to the Administrative Agent; provided that;

(i) the Borrower may not designate a Restricted Subsidiary as an Unrestricted Subsidiary unless: (A) such Restricted Subsidiary does not own, directly or indirectly, any Indebtedness or Capital Stock of the Borrower or any other Restricted Subsidiary and (B) immediately before and after such designation no Default or Event of Default shall have occurred and be continuing or would exist after giving effect to such designation;

(ii) the Borrower may not designate a Subsidiary Guarantor as an Unrestricted Subsidiary;

(iii) after giving effect to such designation on a Pro Forma Basis, on the date of such designation, the Leverage Ratio shall be less than 3.25:1.00;

(iv) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it was previously designated an Unrestricted Subsidiary;

(v) no Subsidiary may be designated as an Unrestricted Subsidiary if such Subsidiary, or any of its Subsidiaries, has incurred, created, assumed, guaranteed or become liable for any Indebtedness pursuant to which any holder thereof has recourse to any of the assets of the Borrower or any Restricted Subsidiary as security for such Indebtedness, and no Unrestricted Subsidiary may, at any time, incur, create, assume or be liable for any Indebtedness pursuant to which any holder thereof has recourse to any of the assets of the Borrower or any Restricted Subsidiary as security for such Indebtedness;

(vi) such designation does not violate the ABL Facility;

(vii) the Borrower shall deliver to the Administrative Agent prior to such designation a certificate of a Responsible Officer of the Borrower, together with all relevant financial information reasonably requested by the Administrative Agent, demonstrating compliance with the foregoing clauses (i) through (vi) of this Section 7.08 and, if applicable, certifying that such Subsidiary meets the requirements of an "Unrestricted Subsidiary";

(viii) no Subsidiary may be designated as an Unrestricted Subsidiary if, after such designation, it would be a "Restricted Subsidiary" under the ABL Facility, any indenture or other agreement or instrument evidencing, governing the rights of the holders of or otherwise relating to any Material Indebtedness of the Borrower or any other Subsidiary;

(ix) notwithstanding Section 7.04(b), if an Unrestricted Subsidiary is designated as a Restricted Subsidiary, all outstanding Indebtedness and Liens of such Subsidiary shall be deemed to have been incurred as of the date of such designation; and

(x) if a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Borrower and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 7.11 or under one or more clauses of the definition of Permitted Investments, as determined by the Borrower, provided that designation will only be permitted if the Investment would be permitted at the time pursuant to Section 7.11 and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

7.09 Nature of Business.

The Borrower will not, and will not permit any Restricted Subsidiary to, engage in any business if, as a result, the general nature of the business in which the Borrower and its Restricted Subsidiaries, taken as a whole, would then be engaged would be substantially changed from the general nature of the business in which the Borrower and its Subsidiaries, taken as a whole, are engaged on the Closing Date.

7.10 Transactions with Affiliates.

(a) The Borrower will not and will not permit any Restricted Subsidiary to enter into directly or indirectly any Material transaction or Material group of related transactions (including without limitation the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than the Borrower or a Restricted Subsidiary) (an "Affiliate Transaction"), unless:

(i) the Affiliate Transaction is entered into in the ordinary course of the Borrower's or such Restricted Subsidiary's business and upon fair and reasonable terms no less favorable to the Borrower or such Restricted Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate;

(ii) with respect to any Affiliate Transaction involving aggregate consideration in excess of \$25,000,000, the Borrower delivers to the Administrative Agent a resolution of the Board of Directors of the Borrower set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (i) of this Section 7.10(a), and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Borrower;

(iii) with respect to any Affiliate Transaction involving aggregate consideration in excess of \$50,000,000, the Borrower delivers to the Administrative Agent an opinion as to the fairness to the Borrower or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing; and

(iv) no Default or Event of Default has occurred and is continuing.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 7.10(a) hereof:

(i) any transaction or series of related transactions involving aggregate consideration of less than \$1,000,000;

(ii) any employment, consulting or similar agreement or arrangement, stock option or stock ownership plan, employee benefit plan, equity award, equity option, equity appreciation agreement or plan, officer or director indemnification agreement, restricted stock agreement, severance agreement or other compensation plan or arrangement entered into by the Borrower or any of its Subsidiaries in the ordinary course of business and payments, awards, grants or issuances of securities pursuant thereto;

(iii) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Borrower solely because the Borrower owns, directly or indirectly through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(iv) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of, and compensation paid to, and indemnity, insurance or other benefits provided on behalf of, officers, directors, employees or consultants of the Borrower or any of its Restricted Subsidiaries, including, but not limited to, advancement of out-of-pocket expenses and provisions of officers' and directors' liability insurance;

(v) payment of loans or advances to employees not to exceed \$2,500,000 in the aggregate at any one time outstanding;

(vi) any issuance of Equity Interests (other than Disqualified Stock) to, or receipt of a capital contribution from, Affiliates of the Borrower;

(vii) transactions between the Borrower or any Restricted Subsidiary and any Person, a director of which is also a director of the Borrower or any direct or indirect parent company of the Borrower and such director is the sole cause for such Person to be deemed an Affiliate of the Borrower or any Restricted Subsidiary; provided, however, that such director abstains from voting as a director of the Borrower or such direct or indirect parent company of the Borrower, as the case may be, on any matter involving such other Person;

(viii) the performance of obligations of the Borrower or any of its Restricted Subsidiaries under the terms of any of the agreements set forth on Schedule 7.10, as such agreements may be amended, modified or supplemented from time to time as long as such amendment, modification or supplement is not materially less advantageous to the Borrower or its Restricted Subsidiaries, taken as a whole, than the agreement so amended, modified or supplemented; and

(ix) Restricted Payments that do not violate Section 7.11 or any Permitted Investments.

(c) In connection with any (x) transaction with an Unrestricted Subsidiary permitted under clause (b) above or (y) Affiliate Transaction with an Unrestricted Subsidiary otherwise permitted under this Section 7.10, the Borrower will not, and will not permit any Restricted Subsidiary to, permit the aggregate amount of accounts payable and accrued expenses, liabilities or other obligations to pay the deferred purchase price of property or services provided by the Borrower or such Restricted Subsidiary to such Unrestricted Subsidiary to exceed \$10,000,000 at any one time outstanding.

7.11 **Restricted Payments.**

(a) The Borrower will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of the Borrower's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Borrower or any of its Restricted Subsidiaries) to the direct or indirect holders of the Borrower's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other

than Disqualified Stock) of the Borrower and other than dividends or distributions payable to the Borrower or any Restricted Subsidiary);

- (ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Borrower) any Equity Interests of the Borrower or any direct or indirect parent of the Borrower;
- (iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Debt (other than any intercompany Indebtedness between or among the Borrower and any of its Restricted Subsidiaries and the purchase, repurchase or other acquisition of Subordinated Debt purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition), except a payment of interest or principal at the stated maturity thereof, or
- (iv) make any Restricted Investment

(all such payments and other actions set forth in clauses (i) through (iv) above being collectively referred to as "Restricted Payments").

(b) The provisions of Section 7.11(a) will not prohibit:

- (i) the payment of any dividend or distribution or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or distribution or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend, distribution or redemption payment would have complied with the provisions of this Agreement;
- (ii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the making of any Restricted Payment in exchange for, or out of the net cash proceeds from the substantially concurrent (A) contribution (other than from a Subsidiary of the Borrower) to the equity capital of the Borrower or (B) sale (other than to a Subsidiary of the Borrower) of Equity Interests of the Borrower (other than Disqualified Stock);
- (iii) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Debt (including the payment of any required premium and any fees and expenses incurred in connection with such repurchase, redemption, defeasance or other acquisition or retirement) with the net cash proceeds from a substantially concurrent incurrence of, or in exchange for, Permitted Refinancing Indebtedness;
- (iv) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of Equity Interests (other than Disqualified Stock) of such Restricted Subsidiary; *provided* that such dividend or similar distribution is paid to all holders of such Equity Interests on a pro rata basis based on their respective holdings of such Equity Interests;
- (v) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the defeasance, repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Borrower or any Restricted Subsidiary held by any of the current or former directors or employees of the Borrower or of any Restricted Subsidiary; *provided, however*, that the aggregate price paid for all such defeased, repurchased, redeemed, acquired or retired Equity Interests may not exceed \$2,500,000 in any fiscal year, with any portion of such \$2,500,000 amount that is unused in any fiscal year to be carried forward to the immediately succeeding twelve month period (but not to any twelve month period thereafter) and added to such amount, plus, to the extent not previously applied or included (A) the cash proceeds received by the Borrower or any of its Restricted Subsidiaries from sales of Equity Interests of the Borrower to employees or directors of the Borrower or its Affiliates that occur after the Closing Date and (B) the cash proceeds of key man life insurance policies received by the Borrower or any of its Restricted Subsidiaries after the Closing Date;
- (vi) the purchase, repurchase, redemption or other acquisition or retirement for value of Equity Interests deemed to occur upon the exercise of options, warrants, incentives, rights to acquire Equity Interests or other convertible securities if such Equity Interests represent a portion of the exercise or exchange price thereof, and any purchase, repurchase, redemption or other acquisition or retirement for

value of Equity Interests made in lieu of withholding taxes in connection with any exercise, exchange or vesting of any restricted stock, options, warrants, incentives or rights to acquire Equity Interests;

(vii) payments of cash, dividends, distributions, advances or other Restricted Payments, in each case, made in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible or exchangeable for Equity Interests or in connection with the payment of a dividend or distribution to the holders of Equity Interests of the Borrower in the form of Equity Interests (other than Disqualified Stock) of the Borrower;

(viii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the purchase, redemption or other acquisition or retirement for value of Equity Interests of the Borrower or any Restricted Subsidiary representing fractional units of such Equity Interests in connection with a merger or consolidation involving the Borrower or such Restricted Subsidiary or any other transaction permitted by this Agreement;

(ix) in connection with an acquisition by the Borrower or any of its Restricted Subsidiaries, the return to the Borrower or any of its Restricted Subsidiaries of Equity Interests of the Borrower or its Restricted Subsidiaries constituting a portion of the purchase consideration in settlement of indemnification claims or purchase price adjustments;

(x) [Reserved.]

(xi) payments or distributions to dissenting stockholders pursuant to applicable law in connection with a merger, consolidation or transfer of all or substantially all of the assets of the Borrower that complies with Section 7.05; and

(xii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, other Restricted Payments since the Closing Date, in the following amounts (reduced by any outstanding Permitted Investments made pursuant to clause (s) of the definition of Permitted Investments): (A) an aggregate amount not to exceed \$12,500,000 (reduced by any Restricted Payments made pursuant to clauses (xii)(B) and (xii)(C) of this Section 7.11(b)); (B) an aggregate amount not to exceed \$25,000,000 (reduced by any Restricted Payments made pursuant to clauses (xii)(A) and (xii)(C) of this Section 7.11(b)) if at the time of such Restricted Payment and immediately thereafter, the Leverage Ratio for the fiscal quarter immediately preceding such Restricted Payment is equal to or exceeds 2.00 to 1.00 and is less than 2.50 to 1.00 and (C) an aggregate amount not to exceed \$50,000,000 (reduced by any Restricted Payments made pursuant to clauses (xii)(A) and (xii)(B) of this Section 7.11(b)) if at the time of such Restricted Payment and immediately thereafter, the Leverage Ratio for the fiscal quarter immediately preceding such Restricted Payment is less than 2.00 to 1.00, in the case of each of clauses (A), (B) and (C) above, with such ratios calculated on a Pro Forma Basis with respect to the consummation of such Restricted Payment as if it had occurred at the beginning of the applicable four-quarter period used for calculation of such ratios; *provided* that, for the avoidance of doubt, the aggregate amount of all Restricted Payments made pursuant to this clause (xii) shall not exceed \$50,000,000.

(c) The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of such Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Borrower or such Restricted Subsidiary of the Borrower, as the case may be, pursuant to such Restricted Payment, except that the Fair Market Value of any non-cash dividend or distribution paid within 60 days after the date of its declaration shall be determined as of such date of declaration. The Fair Market Value of any Restricted Investment, assets or securities that are required to be valued by this Section 7.11 will be determined in accordance with the definition of that term. For purposes of determining compliance with this Section 7.11, in the event that a Restricted Payment meets the criteria of more than one of the categories of Restricted Payments described in clauses (i) through (xii) of Section 7.11(b), the Borrower will be permitted to classify such Restricted Payment (or portion thereof) on the date made in any manner that complies with this Section 7.11.

7.12 Terrorism Sanctions Regulations.

(a) The Borrower will not, and will not permit any Controlled Entity to, (i) become (including by virtue of being owned or controlled by a Sanctioned Person), own or control a Sanctioned Person or any Person that is the target of Sanctions, (ii) directly or indirectly to have any investment in or engage in any dealing or transaction (including, without limitation, any investment, dealing or transaction involving the proceeds of the Committed Loans) with any Person if such investment, dealing or transaction (A) would cause any Lender to be in violation of any law or regulation applicable to such Lender, or (B) is prohibited by or subject to any Anti-Corruption Laws or Sanctions or (iii) to engage, nor shall any Affiliate of either engage, in any activity that could subject such Person or

any Lender to sanctions under CISADA or any similar law or regulation with respect to Iran or any other country that is subject to Sanctions.

(b) The Borrower will not request any Committed Loans hereunder, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Committed Loans made hereunder (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 in any material respect, (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, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

7.13 Use of Proceeds. The Borrower will not, and will not permit any Restricted Subsidiary nor any Non-Recourse Pledgor to, use the proceeds of any Committed Borrowing, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose. The proceeds of any Committed Borrowing will not be used for any purpose other than (a) the repayment of the 2022 Senior Secured Notes and amounts outstanding under the Existing Credit Agreement, (b) in the case of any Committed Loans made by the Lenders after the Closing Date, to finance Acquisitions permitted under Section 7.03(b) (provided that (i) the conditions precedent set forth in Sections 4.02(a) and 4.02(b) have been satisfied, after giving effect to such Acquisition; (ii) the Borrower shall have provided the Administrative Agent notice at least 10 days prior to the date such Acquisition is to be consummated; and (iii) on the date such Acquisition and all related transactions are consummated, the Leverage Ratio calculated on a Pro Forma Basis shall be less than 2.75:1.00) and (c) the payment of transaction fees and expenses associated therewith. None of such proceeds will be used in violation of applicable Law.

7.14 Amendments to Material Documents. The Borrower will not, and will not permit any Restricted Subsidiary nor any Non-Recourse Pledgor to, enter into or permit any modification or amendment of, or waive any material right or obligation of any Person under (a) any agreement related to any Subordinated Debt to the extent any such modification, amendment or waiver would be materially adverse to the Lenders, (b) any of the ABL Loan Documents, except as permitted by the Intercreditor Agreement, (c) the Omnibus Agreement or (d) its Organization Documents in any manner materially adverse to the Lenders.

7.15 Accounting. The Borrower will not, and will not permit any Restricted Subsidiary nor any Non-Recourse Pledgor to, change its fiscal year or make any change (a) in accounting treatment or material reporting practices, except as required or permitted by GAAP and disclosed to the Administrative Agent, or (b) in tax reporting treatment, except as required or permitted by law and disclosed to the Administrative Agent.

7.16 Sale and Leaseback Transactions. No Loan Party will, nor will it permit any Restricted 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 any Borrower or any Restricted 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 90 days after such Borrower or such Restricted Subsidiary acquires or completes the construction of such fixed or capital assets and in an aggregate amount not to exceed \$10,000,000 during any fiscal year.

7.17 Hedging Contracts. No Loan Party will, nor will it permit any Restricted Subsidiary to, enter into any Hedging Contract, except (a) Hedging Contract entered into to hedge or mitigate risks to which Borrower or any Restricted Subsidiary has actual exposure (other than those in respect of Equity Interests of any Borrower or any Restricted Subsidiary), and (b) Hedging Contracts 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 Borrower or any Restricted Subsidiary.

Article VIII

EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) the Borrower defaults in the payment of any principal of, or premium on, if any, any Committed Loan when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

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(b) the Borrower defaults in the payment of any interest or breakage amount, if any, on any Committed Loan for more than five Business Days after the same becomes due and payable; or

(c) the Borrower defaults in the performance of or compliance with any term contained in Article VII; or

(d) the Borrower defaults in the performance of or compliance with any term contained herein (other than those referred to in paragraphs (a), (b) and (c) of this Section 8.01) or in the Collateral Documents and such default is not remedied within 30 days after the earlier of (i) a Responsible Officer obtaining actual knowledge of such default or (ii) the Borrower receiving written notice of such default from any Lender; or

(e) any representation or warranty made in writing by or on behalf of the Borrower, any Subsidiary Guarantor or any Non-Recourse Pledgor or by any officer of the Borrower, any Subsidiary Guarantor or any Non-Recourse Pledgor in this Agreement or any other Loan Document or in any writing furnished in connection with the transactions contemplated hereby proves to have been false or incorrect in any material respect on the date as of which made; or

(f) (i) the Borrower or any Restricted Subsidiary is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or breakage amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least \$20,000,000 beyond any period of grace provided

with respect thereto, or (ii) the Borrower or any Restricted Subsidiary is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of at least \$20,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Indebtedness has become, or has been declared (or one or more Persons are entitled to declare such Indebtedness to be), due and payable before its stated maturity or before its regularly scheduled dates of payment, or (iii) as a consequence of the occurrence or continuation of any event or condition (other than the passage of time or the right of the holder of Indebtedness to convert such Indebtedness into Equity Interests), (x) the Borrower or any Restricted Subsidiary has become obligated to purchase or repay Indebtedness before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least \$20,000,000, or (y) one or more Persons have the right to require the Borrower or any Restricted Subsidiary so to purchase or repay such Indebtedness; or

(g) the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor (i) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it, of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (v) is adjudicated as insolvent or to be liquidated, or (vi) takes corporate action for the purpose of any of the foregoing; or

(h) a court or governmental authority of competent jurisdiction enters an order appointing, without consent by the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor, or any such petition shall be filed against the Borrower, any Restricted Subsidiary or any Non-Recourse Pledgor and such petition shall not be dismissed within 60 days; or

(i) a final judgment or judgments for the payment of money aggregating more than \$20,000,000 (net of insurance coverage, provided that the insurance carriers are solvent, rated investment grade and have acknowledged in writing their obligation so satisfy such judgments) are rendered against one or more of the Borrower and any Restricted Subsidiaries, which judgments are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay; or

(j) if (i) any Plan shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under section 412 of the Code, (ii) a notice of intent to terminate any Plan shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under ERISA section 4042 to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified the Borrower or any ERISA Affiliate that a Plan may become a subject of any such proceedings, (iii) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans determined in accordance with

Title IV of ERISA, shall be greater than \$20,000,000, (iv) the Borrower or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (v) the Borrower or any ERISA Affiliate withdraws from any Multiemployer Plan, or (vi) the Borrower or any Subsidiary establishes or amends any employee welfare benefit plan that provides post-employment welfare benefits in a manner that would increase the liability of the Borrower or any Restricted Subsidiary thereunder; and any such event or events described in clauses (i) through (vi) above, either individually or together with any other such event or events, could reasonably be expected to have a Material Adverse Effect; or

(k) except as otherwise permitted under Section 8.01(l) below, any of the Loan Documents ceases to be in full force and effect for any reason, including by reason of (A) it being declared to be null and void in whole or in material part by a court or other governmental or regulatory authority having jurisdiction or (B) the validity or enforceability thereof being contested by any of the Borrower, any Subsidiary Guarantor or any Non-Recourse Pledgor or any of them renouncing any of the same or denying that it has any or further liability under any Loan Document to which it is a party; or

(l) (i) any security interest created by any Collateral Document ceases to be in full force and effect (except as permitted by the terms of this Agreement or such Collateral Document) with respect to Collateral having a Fair Market Value in excess of \$1,000,000, or an assertion by the Borrower, any Subsidiary Guarantor or any Non-Recourse Pledgor that any Collateral having a Fair Market Value in excess of \$1,000,000 is not subject to a valid, perfected security interest (except as permitted by the terms of this Agreement or any of the Collateral Documents); or (ii) the repudiation by the Borrower, any Subsidiary Guarantor or any Non-Recourse Pledgor of any of its or their material obligations under any Collateral Document; or

(m) the Borrower and the Restricted Subsidiaries that are party to the Security Agreement and the Subsidiary Guaranty shall cease to own, in the aggregate, assets having an aggregate book value equal to or greater than eighty-five percent (85%) of the book value of all assets owned by the Borrower and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP; or

(n) there occurs any Change of Control.

As used in Section 8.1(j), the terms "employee benefit plan" and "employee welfare benefit plan" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

8.02 Remedies upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

- (a) declare the commitment of each Lender to make Committed Loans to be terminated, whereupon such commitments shall be terminated;
- (b) declare the unpaid principal amount of all outstanding Committed Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower; and
- (c) exercise on behalf of itself, the Lenders all rights and remedies available to it, the Lenders under the Loan Documents;

provided, however, that upon the occurrence of any event described in Sections 8.01(g) and (h) above, the obligation of each Lender to make Committed Loans shall automatically terminate, and the unpaid principal amount of all outstanding Committed Loans and all interest and other amounts as aforesaid shall automatically become due and payable, in each case without further act of the Administrative Agent or any Lender.

8.03 Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Committed Loans have automatically become immediately due and payable as set forth in the proviso to Section 8.02), any amounts received on account of the Obligations shall, subject to the provisions of Section 2.14, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

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Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Committed Loans and other Obligations, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Article IX

ADMINISTRATIVE AGENT

9.01 Appointment and Authority.

(a) Each Lender hereby irrevocably appoints Wilmington Trust, National Association to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Without limiting the generality of the foregoing, the Administrative Agent is hereby expressly authorized to negotiate, enforce or settle any claim, action or proceeding affecting the Lenders in their capacity as such, at the direction of the Required Lenders, which negotiation, enforcement or settlement will be binding upon each Lender. Except as otherwise expressly provided in Section 9.06, the provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations, functions, responsibilities or duties arising under agency doctrine of any applicable Law (and none shall be read into this Agreement). Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the

benefits of all provisions of this Article IX and Article X (including Section 10.04(c), as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

9.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person 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 business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

9.03 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;
- (b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the

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Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(d) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent 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 shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct, as determined by a court of competent jurisdiction by a final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by the Borrower or a Lender.

(e) 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 this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral or (vi) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(f) The Administrative Agent shall not be responsible for (i) the filing, re-filing, recording, re-recording or continuing or any document, financing statement, mortgage, assignment, notice, instrument of further assurance or other instrument in any public office at any time or times or (ii) providing, maintaining, monitoring or preserving insurance on or the payment of taxes with respect to any of the Collateral. The actions described in the foregoing clauses (i) and (ii) shall be the sole responsibility of the Borrower.

(g) The Administrative Agent shall not be (i) required to qualify in any jurisdiction in which it is not presently qualified to perform its obligations as such Administrative Agent or (ii) required to take any enforcement action against a Subsidiary Guarantor or any other obligor outside of the United States.

(h) The delivery of any reports, information and documents to the Administrative Agent that are not addressed to the Administrative Agent, the Lenders or the Secured Parties is for informational purposes only and the Administrative Agent's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Borrower's or any other obligor's compliance with any of its covenants or obligations hereunder.

9.04 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent

or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Committed Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Committed Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties. The Administrative Agent may perform any and all 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 and all of its duties and exercise its rights and powers by or 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. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents 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-agents.

9.06 Resignation of Administrative Agent. (a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(a) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(b) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 9.06). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring or removed 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 or removed Administrative Agent was acting as Administrative Agent.

9.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information 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.

9.08 Right to Request and Act on Instructions. The Administrative Agent may at any time request instructions from the Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the Loan Documents the Administrative Agent is permitted or desires to take or to grant, and if such

instructions are promptly requested, the Administrative Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from the Required Lenders or all or such other portion of the Lenders as shall be prescribed by this Agreement. Without limiting the foregoing, no Person shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of the Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this Agreement) and, notwithstanding the instructions of the Required Lenders (or such other applicable portion of the Lenders), the Administrative Agent shall have no obligation to take any action if it believes, in good faith, that such action would violate applicable law or exposes the Administrative Agent to any liability for which it has not received satisfactory indemnification in accordance with the provisions of [Section 10.04](#).

9.09 Administrative Agent May File Proofs of Claim; Credit Bidding. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Committed Loan 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 the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Committed Loans 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 and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under [Sections 2.08](#) and [10.04](#)) allowed in such judicial proceeding; and

(b) 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 judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, if the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under [Sections 2.08](#) and [10.04](#).

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 any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender or in any such proceeding.

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 Obligations (including accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations (as defined in the Collateral Documents) 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 of the United States, including under Sections 363, 1123 or 1129 of the Bankruptcy Code of the United States, or any similar Laws in any other jurisdictions to which a Loan Party is subject, (b) at any other sale or 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 Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that would 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) in the asset or assets so purchased (or in the Equity Interests or debt instruments of the acquisition vehicle or vehicles that are used to consummate such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles to make a bid, (ii) 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 the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in clauses (a) through (i) of [Section 10.01](#) of this Agreement, (iii) the Administrative Agent shall be authorized to assign the relevant Obligations to any such acquisition vehicle pro rata by the Lenders, as a result of which each of the Lenders shall be deemed to have received a pro rata portion of any Equity Interests and/or debt instruments issued by such an

acquisition vehicle on account of the assignment of the Obligations to be credit bid, all without the need for any Secured Party or acquisition vehicle to take any further action, and (iv) to the extent that 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 Obligations assigned to the acquisition vehicle exceeds the amount of debt credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Lenders pro rata and the Equity Interests and/or debt instruments issued by any acquisition vehicle on account of the Obligations that had been assigned to the acquisition vehicle shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action.

9.10 Collateral and Guaranty Matters. The Lenders irrevocably authorize the Administrative Agent, at its option and in its discretion,

- (a) to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon termination of the Aggregate Commitments and payment in full of all Obligations (other than contingent indemnification obligations), (ii) that is Disposed of as part of or in connection with any Disposition permitted hereunder or under any other Loan Document, or (iii) subject to Section 10.01, if approved, authorized or ratified in writing by the Required Lenders; and
- (b) to release any guarantor from its obligations under the Subsidiary Guaranty if such Person ceases to be a Domestic Subsidiary as a result of a transaction permitted hereunder.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release its interest in particular types or items of property, or to release any guarantor from its obligations under the Subsidiary Guaranty pursuant to this Section 9.10.

9.11 Third Parties.

- (a) The Administrative Agent hereby informs the Lenders that it is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that it has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Committed Loans, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Committed Loans or the Commitments for an amount less than the amount being paid for an interest in the Committed Loans or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

Article X
MISCELLANEOUS

10.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

- (a) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;
- (b) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;
- (c) reduce the principal of, or the rate of interest specified herein on, any Committed Loan, or (subject to clause (iii) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate;

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- (d) change Section 2.12 or Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender; or
- (e) change any provision of this Section 10.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender; and, provided further, that (i) [Reserved]; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and (iii) none of the Expense and Reimbursement Letter or any Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, no

Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

10.02 Notices; Effectiveness; Electronic Communications.

(a) **Notices Generally.** Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (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 or electronic mail as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or the Administrative Agent, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) **Electronic Communications.** Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications 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 prescribes, (i) notices and other communications 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) and (ii) notices or communications 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), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) **The Platform.** THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE DISCLOSURE DOCUMENTS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE DISCLOSURE DOCUMENTS. 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 ANY AGENT PARTY IN CONNECTION WITH THE DISCLOSURE DOCUMENTS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of Disclosure Documents or notices through the Platform, any other electronic platform or electronic messaging service, or through the Internet.

(d) **Change of Address, Etc.** Each of the Borrower and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender.

(e) **Reliance by Administrative Agent and Lenders.** The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices and Committed Loan Notices) purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

10.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) [Reserved], (c) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.12), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.12, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04 Expenses; Indemnity; Damage Waiver.

(a) **Costs and Expenses.** The Borrower 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 and, if appropriate or necessary, of special counsel and local counsel to the Administrative Agent in each necessary jurisdiction retained by the Administrative Agent), in connection with the arrangement of the credit facilities provided for herein, the preparation, due diligence, negotiation, execution, syndication, closing, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or

waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all out-of-pocket expenses incurred by the Administrative Agent or any Lender (including the reasonable fees, charges and disbursements of any outside counsel for the Administrative Agent or any Lender), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 10.04, or (B) in connection with the Committed Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Committed Loans.

(b) **Indemnification by the Borrower.** The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof) 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 losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of any outside counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Committed Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials at, on, under or emanating from any property owned, leased or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries incurred by such Indemnitee in connection with this Agreement and the other Loan Documents, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNITEE; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, 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, (x) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee (other than claims against the Administrative Agent acting in its capacity as an agent or similar role under this Agreement or the other Loan Documents) for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction, or (y) arise from any dispute solely between and among Indemnitees to the extent such disputes do not arise from any act or omission of the Borrower or any of its Subsidiaries or Affiliates (other

than claims against an Indemnitee acting in its capacity as an agent, arranger or similar role under this Agreement or other Loan Documents). This Section 10.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses or damages arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section 10.04 to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Party thereof, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party thereof acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. If any indemnity furnished by the Lenders to the Administrative Agent pursuant to this Section 10.04(c) for any purpose shall, in the opinion of the Administrative Agent, be insufficient or become impaired, the Administrative Agent may call for additional indemnity from the Lenders and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished by the Lenders. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.11(e).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, 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, the transactions contemplated hereby or thereby, any Committed Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for

direct or actual damages to the extent resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section 10.04 shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section 10.04 shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Aggregate Commitments, the repayment, satisfaction or discharge of all the other Obligations, and the termination of this Agreement.

10.05 Payments Set Aside. To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06 Successors and Assigns.

(a) Successors and Assigns Generally. 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, except that neither the Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section 10.06, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section 10.06, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section 10.06 (and any other attempted assignment or transfer by any party hereto shall be null and void). 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, Participants to the extent provided in subsection (d) of this Section 10.06 and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Committed Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Committed Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section 10.06, the aggregate amount of the Commitment (which for this purpose includes Committed Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Committed 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 or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible

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Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) **Proportionate Amounts.** 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 with respect to the Committed Loans or the Commitment assigned.

(iii) **Required Consents.** No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section 10.06 and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) a Default or an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund, provided that the Borrower 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

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

(iv) **Assignment and Assumption.** The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; provided, however, that such processing and recordation fee shall be waived with respect to Blackstone Group and which may be further waived by the Administrative Agent, in its sole discretion, in the case of any other assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) **No Assignment to Certain Persons.** No such assignment shall be made (A) to the Loan Parties or any of their respective Subsidiaries or Affiliates, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B) or (C) to a natural person.

(vi) **Certain Additional Payments.** In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Committed Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Committed Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section 10.06, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, 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 Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any

assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection (b) 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 subsection (d) of this Section 10.06.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office 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 Commitments of, and principal amounts (and stated interest) of the Committed Loans 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 Borrower, the Administrative Agent and the Lenders may 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. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, a Defaulting Lender or the Borrower or any of its Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Committed 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 Borrower, the Administrative Agent and the 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, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. Subject to subsection (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and limitations therein, including the requirements under Section 3.01(e)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.12 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 Borrower, 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 Committed Loans or other obligations under the Loan Documents (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.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.01 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 3.01(e) as though it were a Lender.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto; provided further that any foreclosure by any such Lender or such pledge or security interest shall be permitted hereunder notwithstanding Section 10.06(b).

10.07 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, funding sources, investors, potential investors, advisors and representatives (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 to the same extent required hereunder), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any 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 10.07](#), 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, derivative or credit insurance transaction relating to the Borrower and its obligations, (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers of other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this [Section 10.07](#) or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this [Section 10.07](#), "Information" means all information received from the Borrower or any of its Subsidiaries relating to the Borrower or any of its Subsidiaries or any of their businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower or any of its Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this [Section 10.07](#) 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. Notwithstanding the foregoing, any Lender may disseminate general information describing this credit facility, including the name of the Borrower and a general description of the Borrower's businesses, and a high level summary of terms of this credit facility, and may use the Borrower's logos, trademarks or product photographs in marketing materials solely to prospective investors that are notified in writing to keep such information confidential.

Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrower or its Subsidiaries, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party are owed to a branch or office of such Lender different from the branch or office 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 2.14](#) 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 and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and its respective Affiliates under this [Section 10.08](#) are in addition to other rights and remedies (including other rights of setoff) that such Lender or its respective Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Committed Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

10.10 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, and the other Loan Documents 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 that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Agreement.

10.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Committed Borrowing, and shall continue in full force and effect as long as any Committed Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

10.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.13 Replacement of Lenders. If (i) any Lender is a Defaulting Lender, (ii) in connection with any consent to or approval of any proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of each Lender or the consent of each Lender affected thereby, the consent of the Required Lenders shall have been obtained but any Lender has not so consented to or approved such proposed amendment, waiver, consent or release, (iii) in connection with any consent to or approval of any proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of the Required Lenders, the consent of the Required Lenders shall have been obtained but any Lender has not so consented to or approved such proposed amendment, waiver, consent or release, or (iv) any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any additional amounts or indemnification to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, then the Borrower may, at its 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, and consents required by, Section 10.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (a) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 10.06(b);
- (b) such Lender shall have received payment of an amount equal to 100% of the outstanding principal of its Committed Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) plus, if a Lender is being replaced pursuant to clause (ii) above, the amount that would be payable pursuant to Section 2.04(c);
- (c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter; and
- (d) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

10.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION 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 IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) **WAIVER OF VENUE.** THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION 10.14. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) **SERVICE OF PROCESS.** EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.15 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY 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 OR 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 PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.15.

10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any

other Loan Document), the Borrower and each other Loan Party acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, are arm's-length commercial transactions between the Borrower, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent, on the other hand, (B) each of the Borrower and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower and each other Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower, any other Loan Party or any of their respective Affiliates, or any other Person and (B) the Administrative Agent has no obligation to the Borrower, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, the other Loan Parties and their respective Affiliates, and the Administrative Agent has no obligation to disclose any of such interests to the Borrower, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Borrower and the other Loan Parties hereby waives and releases any claims that it may have against the Administrative Agent with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

10.17 Electronic Execution of Assignments and Certain Other Documents. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other Committed Loan Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

10.18 PATRIOT Act. Each Lender that is subject to the Patriot Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

10.19 Time of the Essence. Time is of the essence of the Loan Documents.

10.20 Entire Agreement. This Agreement and the other Loan Documents represent the final agreement among 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 among the parties.

10.21 Acknowledgement and Consent to Bail-In of EEA 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 EEA Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA 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 an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Affected Financial Institution; and

(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;

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(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Affected Financial Institution, its parent undertaking, 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 any EEA the applicable Resolution Authority.

10.22 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 and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Committed Loans or the Commitments;

(ii) the prohibited transaction exemption set forth in one or more PTEs, such as PTE 84-14 (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), PTE 91-38 (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 so as to exempt from the prohibitions of ERISA Section 406 and Code Section 4975, such Lender's entrance into, participation in, administration of and performance of the Committed Loans, 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 Committed Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Committed Loans, 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 PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Committed Loans, 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.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or if such Lender has not provided another representation, warranty and covenant as provided in 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, and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that none of the Administrative or its Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto).

10.23 Intercreditor Agreement. Each Lender hereunder (a) acknowledges that it has received a copy of the Term/ABL Intercreditor Agreement, (b) consents to the subordination of Liens provided for in the Term/ABL Intercreditor Agreement, (c) agrees that it will be bound by the provisions of the Term/ABL Intercreditor Agreement as if it was a signatory thereto and (d) authorizes and instructs the Administrative Agent to enter into the Term/ABL Intercreditor Agreement (including any and all amendments, amendments and restatements, modifications, supplements and acknowledgements thereto permitted hereby from time to time to the extent authorized by the Required Lenders) and by its acceptance of the benefits of the Collateral Documents, hereby acknowledges and agrees to be bound by all such provisions. Notwithstanding anything herein to the contrary, each Lender acknowledges that the Lien and security interest granted to the Administrative Agent pursuant to the Collateral

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Documents and the exercise of any right or remedy by the Administrative Agent thereunder, are subject to the provisions of the Term/ABL Intercreditor Agreement. In the event of a conflict or any inconsistency between the terms of the Term/ABL Intercreditor Agreement and the Collateral Documents, the terms of the Term/ABL Intercreditor Agreement shall prevail.

10.24 Authorization to Execute other Loan Documents. Each Lender authorizes the Administrative Agent to enter into each of the Loan Documents (including, without limitation, intercreditor agreements or subordination agreements contemplated by the terms hereof (other than this Agreement) and to act on its behalf and to take all actions contemplated by such Loan Documents and agrees that it shall be bound by such Loan Documents as if a signatory thereto. Neither the Administrative Agent, nor its Related Parties, shall have any liability or responsibility for the actions or omissions of any Secured Party, or for any other Secured Party's compliance with (or failure to comply with) the terms, covenants and agreements set forth in this Agreement and each of the Loan Documents.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

TETRA TECHNOLOGIES, INC., as the Borrower

By:
Name:
Title:

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WILMINGTON TRUST, NATIONAL ASSOCIATION, as
Administrative Agent

By:
Name:
Title:

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BLACKSTONE HOLDINGS FINANCE CO LLC, as a Lender

By:
Name:
Title:

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CPPIB CREDIT INVESTMENTS III INC., as a Lender

By:
Name:
Title:

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ANNEX B

EXHIBITA

FORM OF COMMITTED LOAN NOTICE

Date: _____

To: Wilmington Trust, National Association, as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Credit Agreement, dated as of September 10, 2018 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement," the terms defined therein being used herein as therein defined), among TETRA Technologies, Inc., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto and Wilmington Trust, National Association, as Administrative Agent.

The undersigned hereby requests (select one):

A Borrowing of Committed Loans A conversion or continuation of Committed Loans

1. On (a Business Day).
2. In the amount of \$.

3. Comprised of,

[Type of Committed Loan requested]

4. For SOFR Rate Committed Loans: with an Interest Period of months.

The Committed Borrowing, if any, requested herein complies with the proviso to the first sentence of Section 2.01 of the Agreement.

TETRA TECHNOLOGIES, INC.

By:

Name:

Title:

FOURTH AMENDMENT TO CREDIT AGREEMENT

This FOURTH AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of May 15, 2023 (the "Fourth Amendment Effective Date"), is by and among TETRA TECHNOLOGIES, INC., a Delaware corporation (the "Company"), TETRA TECHNOLOGIES U.K. LIMITED, a limited liability company incorporated in England and Wales with company number 01774672 (the "UK Borrower"), and certain Subsidiaries of the Company party hereto, collectively, as Borrowers (together with the Company and the UK Borrower, the "Borrowers" and each, a "Borrower"), the other Loan Parties party hereto, the Lenders party hereto, the Issuing Banks party hereto, and JPMORGAN CHASE BANK, N.A., as Administrative Agent (in such capacity, the "Administrative Agent").

WITNESSETH:

WHEREAS, the Company entered into that certain Credit Agreement dated as of September 10, 2018, by and among the Borrowers party thereto, the other Loan Parties party thereto, the Administrative Agent, the Lenders party thereto, and the Issuing Banks party thereto (as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof, the "Existing Credit Agreement", and the Existing Credit Agreement, as amended by this Amendment, the "Credit Agreement", capitalized terms used in this Amendment, to the extent not otherwise defined herein, shall have the same meanings as in the Credit Agreement);

WHEREAS, the Borrowers have requested that the Administrative Agent, the Lenders, and the Issuing Banks enter into this Amendment to amend the Existing Credit Agreement for certain purposes as provided herein; and

WHEREAS, the Administrative Agent, the Lenders, the Issuing Banks, and the Borrowers have agreed to amend the Existing Credit Agreement as provided herein, on and subject to the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Borrowers, the Administrative Agent, the Lenders, and the Issuing Banks hereby agree as follows:

SECTION 1. Amendments. Subject to the satisfaction (or waiver in writing) of each condition precedent set forth in Section 2 of this Amendment, and in reliance on the representations, warranties, covenants and agreements contained in this Amendment, the Existing Credit Agreement shall be amended effective as of the Fourth Amendment Effective Date in the manner provided in this Section 1.

1.1 Amendments to Existing Credit Agreement. The Existing Credit Agreement is hereby amended by deleting the red, stricken text (indicated textually in the same manner as the following example: red, stricken text) therefrom and by adding the blue, double-underlined text (indicated in the same manner as the following example: blue, double-underlined text) thereto, in each case, as set forth on Exhibit A attached hereto.

1.2 Amendments to Existing Credit Agreement Exhibits. Exhibit C to the Existing Credit Agreement is hereby amended by deleting the red, stricken text (indicated textually in the same manner as the following example: red, stricken text) therefrom and by adding the blue, double-underlined text (indicated in the same manner as the following example: blue, double-underlined text) thereto, as set forth on Exhibit B attached hereto.

SECTION 2. Conditions. The amendments to the Credit Agreement contained in Section 1 of this Amendment shall be effective upon the satisfaction (or waiver in writing) of each of the conditions set forth in this Section 2.

2.1 Execution and Delivery. Each Loan Party, the Administrative Agent, the Issuing Banks, and each of the Lenders shall have executed and delivered this Amendment.

2.2 No Default. After giving effect to the amendments contained herein, no Default shall have occurred and be continuing.

2.3 Fees. The Borrowers shall have paid to the Administrative Agent the fees separately agreed upon by the Administrative Agent and the Borrowers and invoiced to the Borrowers on or prior to the date hereof.

2.4 Representations and Warranties. The representations and warranties of the Borrowers set forth in Section 3 of this Amendment are true and correct.

Fourth Amendment to Credit Agreement – Page 1

2.5 Other Documents. The Administrative Agent shall have received such other instruments and documents incidental and appropriate to the transaction provided for herein as the Administrative Agent or its special counsel may reasonably request, and all such documents shall be in form and substance reasonably satisfactory to the Administrative Agent.

2.6 Legal Matters Satisfactory. All legal matters incident to the consummation of the transactions contemplated hereby shall be reasonably satisfactory to special counsel for the Administrative Agent.

The Administrative Agent is hereby authorized and directed to declare this Amendment effective when it has received documents confirming or certifying, to the reasonable satisfaction of the Administrative Agent, compliance with the conditions set forth in this Section 2 (or the waiver of such conditions in accordance with Section 9.02(b) of the Existing Credit Agreement). Such declaration shall be final, conclusive, and binding upon all of the parties to the Credit Agreement for all purposes.

SECTION 3. Representations and Warranties of the Borrowers. To induce the Lenders to enter into this Amendment, each Borrower hereby represents and warrants to the Lenders as follows:

3.1 Reaffirmation of Representations and Warranties. Immediately after giving effect to the amendments contained herein, each representation and warranty of such Borrower or any other Loan Party contained in the Credit Agreement or in any other Loan Document shall be true and correct in all material respects on the date of this Amendment (except that any representation or warranty which by its terms was made as of a specified date shall be true and correct in all material respects only as of such specified date and any representation or warranty which is qualified by reference to "materiality" or "Material Adverse Effect" shall be true and correct in all respects).

3.2 Corporate Authority; No Conflicts. The execution, delivery and performance by such Borrower of this Amendment and all other documents, instruments and agreements contemplated in Section 2 to which it is a party (a) are within such Borrower's corporate, constitutional, or other organizational powers, (b) have been duly authorized by all necessary corporate, constitutional or other organizational actions, (c) 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, (d) will not violate any Requirement of Law applicable to such Borrower or any Organizational Document of such Borrower, (e) will not violate or result in a default under any indenture, agreement or other instrument governing any Material Indebtedness binding upon such Borrower or the assets of such Borrower, or give rise to a right thereunder to require any payment to be made by such Borrower, and (f) will not result in the creation or imposition of any Lien on any asset of such Borrower, except Liens created pursuant to the Loan Documents.

3.3 Enforceability. This Amendment constitutes the valid and binding obligation of such Borrower, enforceable in accordance with its terms, subject to, and as may be limited by, 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, and other Legal Reservations.

SECTION 4. Miscellaneous.

4.1 Reaffirmation of Loan Documents and Liens. By its signature below, each Borrower hereby (a) acknowledges and agrees that, except as expressly provided herein, the Credit Agreement and each of the other Loan Documents are hereby ratified and confirmed in all respects and shall remain in full force and effect, (b) ratifies and reaffirms its obligations under, and acknowledges, renews and extends its continued liability under, the Credit Agreement and each other Loan Document to which it is a party, (c) ratifies and reaffirms all of the Liens granted by it to secure the payment and performance of any of the Secured Obligations and (d) acknowledges that the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of (i) any right, power or remedy of the Administrative Agent or any Lender under any of the Loan Documents or (ii) any Default now existing or hereafter arising. Upon and after the execution of this Amendment by each of the parties hereto, each reference in the Existing Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Existing Credit Agreement, and each reference in the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Existing Credit Agreement, shall mean and be a reference to the Existing Credit Agreement as modified hereby. This Amendment is a Loan Document, and all provisions in the Credit Agreement pertaining to Loan Documents apply hereto.

4.2 Parties in Interest. All of the terms and provisions of this Amendment shall bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

Fourth Amendment to Credit Agreement – Page 2

4.3 Legal Expenses. Notwithstanding anything to the contrary herein, the Borrowers hereby agree to pay all reasonable and documented fees and expenses of special counsel to the Administrative Agent incurred by the Administrative Agent in connection with the preparation, negotiation and execution of this Amendment and all related documents required to be paid by the Borrowers pursuant to Section 9.03(a) of the Credit Agreement, including further settling of accounts between the Borrowers and the Administrative Agent with respect to such fees and expenses, including any reasonable and documented fees and expenses incurred after the period covered by any invoice submitted on the date hereof.

4.4 Counterparts. This Amendment may be executed in one or more counterparts and by different parties hereto in separate counterparts each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. However, this Amendment shall bind no party until each Borrower, the Lenders, the Issuing Banks, and the Administrative Agent have executed a counterpart. Delivery of photocopies of the signature pages to this Amendment by facsimile or electronic mail shall be effective as delivery of manually executed counterparts of this Amendment.

4.5 Complete Agreement. THIS AMENDMENT, THE CREDIT AGREEMENT, AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG 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 AMONG THE PARTIES.

4.6 Headings. The headings, captions and arrangements used in this Amendment are, unless specified otherwise, for convenience only and shall not be deemed to limit, amplify or modify the terms of this Amendment, nor affect the meaning thereof.

4.7 Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of Texas.

[Signature Pages Follow]

Fourth Amendment to Credit Agreement – Page 3

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

U.S. BORROWER:

TETRA TECHNOLOGIES, INC.
a Delaware corporation

By: /s/ Jacek Mucha
Name: Jacek Mucha
Title: Vice President – Finance, Treasurer, and Assistant Secretary

UK BORROWER:

TETRA TECHNOLOGIES U.K. LIMITED,
a limited liability company incorporated in England and Wales with
company number 01774672

By: /s/ Brady Murphy
Name: Brady Murphy
Title: Director

Fourth Amendment to Credit Agreement – Signature Page

OTHER LOAN PARTIES:

COMPRESSCO, INC.
TETRA APPLIED HOLDING COMPANY
TETRA FINANCIAL SERVICES, INC.
TETRA FOREIGN INVESTMENTS, LLC
TETRA-HAMILTON FRAC WATER SERVICES, LLC
TETRA INTERNATIONAL INCORPORATED
TETRA MICRONUTRIENTS, INC.
TETRA PROCESS SERVICES, L.C.
TETRA PRODUCTION TESTING HOLDING LLC
TETRA PRODUCTION TESTING SERVICES, LLC
COMPRESSCO FIELD SERVICES, L.L.C.

By: /s/ Jacek Mucha
Name: Jacek Mucha
Title: Treasurer

T-PRODUCTION TESTING, LLC

By: TETRA PRODUCTION TESTING HOLDING LLC,
its sole member

By: /s/ Jacek Mucha
Name: Jacek Mucha
Title: Treasurer

COMPRESSCO TESTING, L.L.C.,
an Oklahoma limited liability company

By: COMPRESSCO, INC.,
its sole member

By: /s/ Jacek Mucha
Name: Jacek Mucha
Title: Treasurer

JPMORGAN CHASE BANK, N.A.

as Administrative Agent, an Issuing Bank, Swingline Lender and a
Lender

By: /s/ J. Devin Mock

Name: J. Devin Mock

Title: Authorized Officer

BANK OF AMERICA, N.A.

as a Lender

By: /s/ Michael D. Danby

Name: Michael D. Danby

Title: Vice President

EXHIBIT A

CREDIT AGREEMENT

dated as of

September 10, 2018

among

TETRA TECHNOLOGIES, INC.

and

CERTAIN OF ITS SUBSIDIARIES PARTY HERETO,

as Borrowers,

THE OTHER LOAN PARTIES PARTY HERETO,

The Lenders Party Hereto
and
JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

JPMORGAN CHASE BANK, N.A.
and
BANK OF AMERICA, N.A.,
as Joint Bookrunners and Joint Lead Arrangers
ASSET BASED LENDING

Fourth Amendment to Credit Agreement – Signature Page

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CREDIT AGREEMENT

CREDIT AGREEMENT dated as of September 10, 2018 (as it may be amended, restated, supplemented or otherwise modified from time to time, this “**Agreement**”) among **TETRA TECHNOLOGIES, INC.**, a Delaware corporation (the “**Company**”), and certain of its Subsidiaries party hereto, collectively, as Borrowers, the other Loan Parties party hereto, the Lenders party hereto, and **JPMORGAN CHASE BANK, N.A.**, as Administrative Agent.

The parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 2.1 Defined Terms

. As used in this Agreement, the following terms have the meanings specified below:

“ABR”, when used in reference to (a) a rate of interest, refers to the Alternate Base 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 Alternate Base Rate. All ABR Loans shall be denominated in Dollars.

“Account” means (a) with respect to any U.S. Loan Party, “Accounts” (as such term is defined in the U.S. Security Agreement), and (b) with respect to any UK Borrower, “Book Debts” (as such term is defined in the UK Debenture).

“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 Borrower or any Restricted Subsidiary (a) acquires any going business or all or substantially all of the assets of any Person, whether through purchase of assets, merger or otherwise 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 governing body 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(m), (a) no Default or Event of Default shall have occurred and be continuing on the date of such Permitted Acquisition, or would result immediately after giving effect to such Permitted Acquisition, (b) immediately after giving effect to and at all times during the thirty (30) consecutive day period immediately prior to such Permitted Acquisition, the Borrowers shall have (1) (x) Availability calculated on a pro forma basis immediately after giving effect to such Permitted Acquisition of not less than the greater of (A) 17.5% of the greater of the Borrowing Base and the Commitments or (B) \$15,000,000, and (y) a Fixed Charge Coverage Ratio calculated on a pro forma basis immediately after giving effect to such Permitted Acquisition of not less than 1.00 to 1.00 or (2) Availability calculated on a pro forma basis immediately after giving effect to such Permitted Acquisition of not less than the greater of (A) 22.5% of the greater of the Borrowing Base and the Commitments or (B) \$17,500,000 and (c) 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 (a) and (b) above and attaching calculations for item (b).

“Additional Lender Agreement” has the meaning assigned to such term in Section 2.09(f).

“Adjusted Daily Simple RFR” means, (i) with respect to any RFR Borrowing denominated in Sterling, an interest rate per annum equal to (a) the Daily Simple RFR for Sterling, plus (b) 0.0326%, and (ii) with respect to any RFR Borrowing denominated in Dollars, an interest rate per annum equal to (a) the Daily Simple RFR for Dollars, plus (b) 0.10%; provided that if the Adjusted Daily Simple RFR 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.

“Adjusted LIBOR Term SOFR Rate” means, with respect to any Term Benchmark Borrowing denominated in Dollars for any Interest Period or for any ABR Borrowing, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) 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 LIBO Rate Floor for such Interest Period multiplied by the Statutory Reserve Rate purposes of this Agreement.

“Administrative Agent” means JPMorgan Chase Bank, N.A. (or any of its designated branch offices or affiliates), in its capacity as administrative agent and security trustee for the Lenders hereunder, and any successor administrative agent.

“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 Parties" has the meaning assigned to such term in [Section 9.01\(d\)\(ii\)](#).

"Aggregate Revolving Exposure" means, at any time, the aggregate Revolving Exposure of all the Lenders at such time.

"Agreed Currencies" means ~~Dollars~~ [Dollars](#) and each Alternative Currency.

"Agreement" has the meaning assigned to such term in the preamble.

"Agreement Currency" has the meaning assigned to it in [Section 9.22](#).

"Allocable Amount" has the meaning assigned to such term in [Section 10.11\(b\)](#).

"Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus $\frac{1}{2}$ of 1% and (c) the Adjusted [LIBO Term SOFR](#) Rate for a one month Interest Period ~~as published two (2) U.S. Government Securities Business Days prior to~~ such day (or if such day is not a [U.S. Government Securities](#) Business Day, the immediately preceding [U.S. Government Securities](#) Business Day) plus 1%; ~~provided that, for the purpose of this definition, the Adjusted LIBO Term SOFR Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one month Interest Period, the LIBO Interpolated Rate) Term SOFR Reference Rate at approximately 11:005:00 a.m. London Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology).~~ Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted [LIBO Term SOFR](#) Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted [LIBO Term SOFR](#) Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to [Section 2.14](#) (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to [Section 2.14\(b\)](#)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

"Alternate Rate" means the sum of (a) a rate per annum selected by the Administrative Agent, in its reasonable discretion based on market conditions, reflecting the cost to the Lenders of obtaining funds, plus (b) the relevant Applicable Rate for Dollars set out under the heading "Revolver Term Benchmark Spread". When used in reference to any Loan or Borrowing, "Alternate Rate" refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Rate.

"Alternative Currency" means (a) so long as such currency remains an Eligible Currency, British Pounds Sterling, and (b) any other Eligible Currency which the Borrower Representative requests the Administrative Agent to include as an Agreed Currency hereunder and which is acceptable to all of the Lenders; ~~provided that each such currency is a lawful currency that is readily available, freely transferable and not restricted and able to be converted into Dollars. For the purposes of this definition, each of the specific currencies referred to in clause (a), above, shall mean and be deemed to refer to the lawful currency of the jurisdiction referred to in connection with such currency, e.g., "British Pounds Sterling" means the lawful currency of the United Kingdom.~~

"AML Legislation" has the meaning assigned to it in [Section 9.23](#).

"Ancillary Document" has the meaning assigned to it 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 Restricted Subsidiaries from time to time concerning or relating to bribery or corruption.

"Applicable Guaranteed Obligations" means (a) with respect to the U.S. Loan Guarantors, the Guaranteed Obligations and (b) with respect to the UK Borrowers, the UK Guaranteed Obligations.

"Applicable Percentage" means, (a) with respect to any Lender, with respect to Revolving Loans, LC Exposure, Overadvance Exposure or Swingline Exposure, a percentage equal to a fraction the numerator of which is such Lender's Commitment and the denominator of which is the aggregate Commitments of all Lenders (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, a percentage based upon its share of the Aggregate Revolving 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 clause (a) above.~~

"Applicable Period" has the meaning assigned to such term in the definition of "Applicable Rate".

"Applicable Rate" means, for any day, with respect to any ABR Loan, Term Benchmark Loan or RFR Loan, as the case may be, the applicable rate per annum set forth below under the caption "Revolver ABR Spread", "Revolver Term Benchmark Spread" or "RFR (SONIA) Spread / Overnight Swingline Rate Spread", as the case may be, based upon the Borrowers' Fixed Charge Coverage Ratio as of the most recent determination date; ~~provided that until the delivery to the Administrative Agent, pursuant to [Section 5.01](#), of the Company's consolidated financial information and compliance certificate for the Company's fiscal quarter ending September 30, 2021, the "Applicable Rate" shall be the applicable rates per annum set forth below in Category 3:~~

Fixed Charge Coverage Ratio	Revolver ABR Spread	Revolver Term Benchmark Spread	RFR (SONIA) Spread / <u>Overnight</u> <u>Swingline Rate Spread</u>
Category 1 > 2.00 to 1.00	1.00%	2.00%	2.00%
Category 2 ≤ 2.00 to 1.00 but > 1.50 to 1.00	1.25%	2.25%	2.25%
Category 3 ≤ 1.50 to 1.00	1.50%	2.50%	2.50%

For purposes of the foregoing, (a) the Applicable Rate shall be determined on a quarterly basis and based upon the Company's most recent quarterly consolidated financial statements delivered from time to time pursuant to Section 5.01 and (b) each change in the Applicable Rate resulting from a change in the Fixed Charge Coverage Ratio shall be effective during the period commencing on and including the first Business Day of the fiscal quarter in which such consolidated financial statements were delivered indicating such change and ending on the date immediately preceding the effective date of the next such change, provided that the Fixed Charge Coverage Ratio shall be deemed to be in Category 3 (i) at any time that an Event of Default has occurred and is continuing or (ii) at the option of the Administrative Agent or the direction of the Required Lenders, if the Borrowers fail to deliver the consolidated financial statements for any 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 Borrowers shall promptly (and in any event within two (2) Business Days) (A) deliver to the Administrative Agent a corrected compliance certificate for such Applicable

Period, (B) determine the Applicable Rate for such Applicable Period based upon the corrected compliance certificate, and (C) pay to the Administrative Agent 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.

"Applicable Time" means, with respect to any Borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent or the Issuing Bank, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

"Approved Fund" has the meaning assigned to such term in Section 9.04(b).

"Assignment and Assumption" means an assignment and assumption agreement 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 reasonably acceptable to the Administrative Agent.

"Availability" means, at any time, an amount equal to (a) the lesser of (i) the aggregate Commitments of all of the Lenders and (ii) the Borrowing Base, in each case, in effect at such time, 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) at such time.

"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.

"Available Commitment" means, at any time, the aggregate Commitments of the Lenders then in effect minus the Aggregate Revolving Exposure (calculated, with respect to any Defaulting Lender, as if such Defaulting Lender had funded its entire Commitment) at such time.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark for any Agreed Currency, 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 Section 2.14(f)(e).

"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 Loan Party or its Subsidiaries (other than Compressco) 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, any direct debit scheme or arrangement, overdrafts, cash pooling services, interstate depository network services and foreign exchange and currency management services).

"Banking Services Obligations" means any and all obligations of the Loan Parties and their Subsidiaries (other than Compressco), 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 Event" means, with respect to any Person, when such Person becomes the subject of a bankruptcy or insolvency proceeding, howsoever described in any jurisdiction, or has had a receiver, conservator, trustee, administrator, monitor, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization, administration 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, 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 any other applicable jurisdiction 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.

"Benchmark" means, initially, with respect to any (a) RFR Loan in any Agreed Currency, the applicable Relevant Rate for such Agreed Currency or, and (b) Term Benchmark Loan, the Relevant Rate for such Agreed Currency; provided that if a Benchmark Transition Event, a Term SOFR Transition Event, an Early Opt in Election or an Other Benchmark Rate Election, as applicable, and its the related Benchmark Replacement Date have occurred with respect to the applicable Relevant Rate or the then-current Benchmark for such Agreed Currency, 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(b) or (e).

"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; provided that, in the case of any Loan denominated in an Alternative Currency or in the case of an Other Benchmark Rate Election, "Benchmark Replacement" shall mean the alternative set forth in (3) below:

- (1) in the case of any Loan denominated in Dollars, the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;
- (2) in the case of any Loan denominated in Dollars, the sum of: (a) Adjusted Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment RFR for Dollar Borrowings; and

(3) 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 syndicated credit facilities denominated in the applicable Agreed Currency at such time in the United States and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is 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; provided further that, in the case of clause (3), when such clause is used to determine the Benchmark Replacement in connection with the occurrence of an Other Benchmark Rate Election, the alternate benchmark rate selected by the Administrative Agent and the Borrower Representative shall be the term benchmark rate that is used in lieu of a LIBOR-based rate in the relevant other Dollar-denominated syndicated credit facilities; provided further that, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term SOFR Transition Event, and the delivery of a Term SOFR Notice, on the applicable Benchmark Replacement Date, the "Benchmark Replacement" shall revert to and shall be deemed to be the sum of (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, as set forth in clause (1) of this definition (subject to the first proviso above).

If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be equal to 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:

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent;
(2) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero), as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor; and

(b) the spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of "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 syndicated credit facilities denominated in the applicable Agreed Currency at such time;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement and/or any Term Benchmark Loan denominated in Dollars, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "RFR 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, in consultation with the Borrower Representative, may be appropriate to reflect the adoption and implementation of such Benchmark Replacement 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 Replacement exists, in such other manner of administration as the Administrative Agent decides, in consultation with the Borrower Representative, 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;

(3) in the case of a Term SOFR Transition Event, the date that is thirty (30) days after the date a Term SOFR Notice is provided to the Lenders and the Borrower Representative pursuant to Section 2.14(c); or

(4) in the case of an Early Opt in Election or an Other Benchmark Rate Election, the sixth (6th) Business Day after the date notice of such Early Opt in Election or Other Benchmark Rate Election, as applicable, is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (Chicago time) on the fifth (5th) Business Day after the date notice of such Early Opt in Election or Other Benchmark Rate Election, as applicable, is provided to the Lenders, written notice of objection to such Early Opt in Election or Other Benchmark Rate Election, as applicable, from Lenders comprising the Required Lenders.

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 Board, the NYFRB, the CME Term SOFR Administrator, the central bank for the Agreed Currency applicable to such Benchmark, 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 clause (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 Owner" means, with respect to any U.S. Federal withholding Tax, the beneficial owner, for U.S. Federal income tax purposes, to whom such Tax relates.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"BHC Act Affiliate" of a Person means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such Person.

"Blocking Regulation" has the meaning assigned to it in Section 3.21.

"Board" means the Board of Governors of the Federal Reserve System of the U.S.

"Borrower DTTP Filing" means an HM Revenue & Customs Form DTTP2 duly completed and filed by the relevant UK Borrower, which:

(a) where it relates to a UK Treaty Lender that is a party to this Agreement as a Lender on the Second Amendment Effective Date, contains the scheme reference number and jurisdiction of tax residence stated opposite that Lender's name in the Commitment Schedule, and (i) where the UK Borrower is a party to this Agreement on the Second Amendment Effective Date, is filed with HM Revenue & Customs within 30 days after the Second Amendment Effective Date; or (ii) where the UK Borrower is not a party to this Agreement on the Second Amendment Effective Date, is filed with HM Revenue & Customs within 30 days after the date on which that UK Borrower becomes a party to this Agreement; or

(b) where it relates to a UK Treaty Lender that is not a party to this Agreement as a Lender on the Second Amendment Effective Date, contains the scheme reference number and jurisdiction of tax residence stated in respect of that Lender in the documentation which it executes on becoming a party to this Agreement as a Lender, and (i) where the UK Borrower is a party to this Agreement as at the date on which that UK Treaty Lender becomes a party to this Agreement as a Lender, is filed with HM Revenue & Customs within 30 days after that date; or (ii) where the UK Borrower is not a party to this Agreement as at the date on which that UK Treaty Lender becomes a party to this Agreement as a Lender, is filed with HM Revenue & Customs within 30 days after the date on which that UK Borrower becomes a party to this Agreement.

"Borrower Representative" has the meaning assigned to such term in Section 11.01.

"Borrowers" means, collectively, the U.S. Borrowers and the UK Borrowers, and **"Borrower"** means any of the foregoing.

"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 the sum of (a) the U.S. Borrowing Base plus (b) the UK Borrowing Base.

"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 Request" means a request by the Borrower Representative for a Borrowing in accordance with Section 2.03.

"Burdensome Restriction" means any consensual encumbrance or restriction of the type described in clause (a) or (b) of Section 6.10.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City or Houston, Texas are authorized or required by law to remain closed; provided that, (a) when used in relation to Loans denominated in Sterling and/or in relation to the calculation or computation of LIBOR UK Borrowers, the term "Business Day" shall also exclude any day on which banks are not open for general business in London, (b) when used in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings in the applicable Agreed Currency of such RFR Loan, the term "Business Day" shall also exclude any day that is not an RFR Business Day, and (c) when used in connection with a Term Benchmark Loan or in relation to the UK Borrowers Loan referencing the Adjusted Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loan, or any other dealings of such Loan referencing the Adjusted Term SOFR Rate, the term "Business Day" shall also exclude any day on which banks are not open for general business in London that is not a U.S. Government Securities Business Day.

"CAM Exchange" means the exchange of the Lenders' interests provided for in Article XII.

"CAM Exchange Date" means the first date on which there shall occur (a) any event referred to in clause (h), (i) or (j) of Article VII with respect to any Borrower or (b) an acceleration of the Loans pursuant to Article VII.

"CAM Percentage" means, as to each Lender, a fraction, expressed as a percentage, of which (a) the numerator shall be the aggregate U.S. Dollar Amount of the Designated Obligations owed to such Lender (whether or not at the time due and payable) on the date immediately prior to the CAM Exchange Date and (b) the denominator shall be the U.S. Dollar Amount of the Designated Obligations owed to all the Lenders (whether or not at the time due and payable) on the date immediately prior to the CAM Exchange Date.

"Capital Expenditures" means, without duplication, any expenditure 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 Company and its Restricted Subsidiaries prepared in accordance with GAAP, but excluding, without duplication, (a) with respect to the purchase price of assets that are purchased substantially contemporaneously with the trade-in of existing assets during such period, the amount that the gross amount of such purchase price is reduced by the credit granted by the seller of such assets for the assets being traded in at such time, (b) such amounts to the extent financed with insurance or condemnation proceeds received with respect to loss of, damage to or taking of property of any Loan Party and (c) expenditures made with proceeds of any issuance of Equity Interests (other than Disqualified Stock).

"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 capitalized in accordance with GAAP.

"Cash Distribution Amount" means the aggregate amount of dividends and distributions received in cash by the Loan Parties from all Restricted Subsidiaries that are not Loan Parties during the period of four fiscal quarters of the Borrowers most recently ended.

"Cash Dominion Trigger Period" means (a) a period commencing on any date on which Availability shall have been less than the greater of (i) \$10,000,000 and (ii) 12.5% of the lesser of the Borrowing Base and the Commitments and continuing until Availability shall have been in excess of the greater of (i) \$10,000,000 and (ii) 12.5% of the lesser of the Borrowing Base and the Commitments for thirty (30) consecutive days or (b) a period commencing on any date on which a Specified Default shall have occurred and continuing until no such Specified Default shall have existed during the preceding thirty (30) consecutive days.

"CBR Loan" means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

"CBR Spread" means (A) the Applicable Rate, applicable to such Loan that is replaced by a CBR Loan.

"Central Bank Rate" means, the greater of (A)(i) for any Loan denominated in (A) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time, and (B) any other Alternative Currency determined after the Second Amendment Effective Date, a central bank rate as determined by the Administrative Agent in its reasonable discretion and (ii) zero; plus (B) the applicable Central Bank Rate Adjustment and (b) the Floor.

"Central Bank Rate Adjustment" means, for any day, for any Loan denominated in (a) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of SONIA for the five (5) most recent RFR Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest SONIA applicable during such period of five (5) RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period, and (b) any other Alternative Currency determined after the Second Amendment Effective Date, a Central Bank Rate Adjustment as determined by the Administrative Agent in its reasonable discretion. For purposes of this definition, the term Central Bank Rate shall be determined disregarding clause (B) of the definition of such term; provided that if such rate shall be less than zero, such rate shall be deemed to be zero.

"Change in Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Company or (b) except as the result of a transaction expressly permitted under this Agreement, the Company shall cease to own, free and clear of all

Liens or other encumbrances (other than Liens permitted under Sections 6.02(a) and (h)), at least 100% of the outstanding direct or indirect Equity Interests of the other Borrowers on a fully diluted basis.

"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 or application thereof by any Governmental Authority; or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 2.15(p), 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, or any European equivalent regulation (such as the European Market and Infrastructure Regulation), 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 U.S. or foreign regulatory authorities, including CRR and CRR II, 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.

"Charges" 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 from time to time.

"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 Loan Party, now existing or hereafter acquired, that at any time becomes or is intended to become, subject to a security interest, hypothec or Lien in favor of the Administrative Agent, on behalf of itself, the Lender Parties and/or the other Secured Parties, to secure any or all of the Secured Obligations. For the avoidance of doubt, "Collateral" shall not include any owned or leased real property of any Loan Party or any Excluded Assets.

"Collateral Access Agreement" has the meaning assigned to such term in the U.S. Security Agreement or such other Security Agreement, as the context may require.

"Collateral Documents" means, collectively, the U.S. Security Agreement, the UK Collateral Documents, the Deposit Account Control Agreements, the Commodity Account Control Agreements, the Securities Account Control Agreements, the Luxembourg Account Pledge, and any other agreements, instruments and documents executed in connection with this Agreement that are intended to create, perfect or evidence Liens to secure any or all of the Secured Obligations, including, without limitation, all other security agreements, debentures, deposit account control agreements, pledge agreements, guarantees, subordination agreements, share charges, pledges and collateral assignments executed on the Effective Date or thereafter by any Loan Party and delivered to the Administrative Agent, in each case as may be amended, restated, supplemented or otherwise modified from time to time.

"Collection Account" means: (a) with respect to the U.S. Loan Parties, the "Collection Account" (as such term is defined in the U.S. Security Agreement), and (b) with respect to the UK Borrowers, any "Collection Account" (as such term is defined in the UK Debenture).

"Commercial LC Exposure" means, at any time, the sum of (a) the aggregate undrawn U.S. Dollar Amount of all outstanding commercial Letters of Credit at such time; *plus* (b) the aggregate U.S. Dollar 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 in accordance with Section 9.04. The initial amount of each Lender's Commitment is set forth on the Commitment Schedule, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with Section 9.04. The initial aggregate amount of the Lenders' Commitments as of the Second Amendment Effective Date is \$80,000,000.

"Commitment Fee Rate" means, with respect to the commitment fees payable hereunder, 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 the immediately preceding calendar month:

Average Utilization	Commitment Fee Rate
Category 1 > 50.0%	0.375%
Category 2 ≤ 50.0%	0.500%

"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 U.S. 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 9.01(d)(ii).

"Company" has the meaning assigned to such term in the preamble.

"Competitor" means any Person that is a bona fide competitor of the Loan Parties in the same industry or line of business or a substantially similar industry or line of business.

"Compressco" means, collectively, CSI Compressco LP and its subsidiaries.

"Compressco Units" means any general or limited partnership interests in, or any incentive distribution rights or other Equity Interest in, CSI Compressco LP.

"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.

"Contribution Notice" means a contribution notice issued by the Pensions Regulator under section 38 or section 47 of the Pensions Act 2004 (U.K.).

"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. **"Controlling"** and **"Controlled"** have meanings correlative thereto.

"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.

"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).

"Covered Party" has the meaning assigned to it in [Section 9.21](#).

"Credit Party" means the Administrative Agent, any Issuing Bank, the Swingline Lender or any other Lender.

"CRR" means either CRR-EU or, as the context may require, CRR-UK.

"CRR-EU" means regulation 575/2013 of the European Union on prudential requirements for credit institutions and investment firms and regulation 2019/876 of the European Union amending Regulation (EU) No 575/2013 and all delegated and implementing regulations supplementing that Regulation.

"CRR-UK" means CRR-EU as amended and transposed into the laws of the United Kingdom by the European Union (Withdrawal) Act 2018 and the European Union (Withdrawal Agreement) Act 2020 and as amended by the Capital Requirements (Amendment) (EU Exit) Regulations 2019.

"CRR II" means either CRR II-EU or, as the context may require, CRR II-UK.

"CRR II-EU" means regulation 2019/876 amending CRR-EU as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012 and all delegated and implementing regulations supplementing that Regulation.

"CRR II-UK" means CRR II-EU as amended and transposed into the laws of the United Kingdom by the European Union (Withdrawal) Act 2018 and the European Union (Withdrawal Agreement) Act 2020 and as amended by the Capital Requirements (Amendment) (EU Exit) Regulations 2019.

"CSI Compressco GP" means CSI Compressco GP Inc., a Delaware corporation.

"CSI Compressco LP" means CSI Compressco LP, a Delaware limited partnership.

"Daily Simple RFR" means, for any day (an **"RFR Interest Day"**), an interest rate per annum equal to **the greater of (a)**, for any RFR Loan denominated in **(a)** Sterling, SONIA for the day that is **five (5) Business Days** **5 RFR Business Days** prior to **(A)** if such RFR Interest Day is **a** **an RFR Business Day**, such RFR Interest Day or **(B)** if such RFR Interest Day is **not a** **an RFR Business Day**, the **RFR Business Day** immediately preceding such RFR Interest Day **(provided, that for any Overnight Swingline Rate Loan denominated in Sterling, SONIA shall be based on the published rate for SONIA as of the Business Day such Overnight Swingline Rate Loan is advanced)**, and **(b) 0.00%**. **Dollars, Daily Simple SOFR.**

"Daily Simple SOFR" means, for any day, **(a)** **"SOFR Rate Day"**, a rate per annum equal to SOFR for the day (such day, a **"SOFR Determination Date"**) that is **five (5) RFR Business Days** prior to **(a)** if such SOFR Rate Day is an **RFR Business Day**, such SOFR Rate Day or **(b)** if such SOFR Rate Day is **not an RFR Business Day**, the **RFR Business Day** immediately preceding such SOFR Rate Day **(provided, that for any request for an Overnight Swingline Rate Loan denominated in Dollars, Daily Simple SOFR shall be based on the published rate for Daily Simple SOFR as of the Business Day of such request)**, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. Any change in Daily Simple RFR SOFR due to a change in **the applicable RFR SOFR** shall be effective from and including the effective date of such change in **the RFR SOFR** without notice to the Borrowers.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which may include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"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, the Administrative Agent or any other 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 (d) has become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action.

"Deposit Account Control Agreement" means (a) in respect of the U.S. Loan Parties, "Deposit Account Control Agreement" (as such term is defined in the U.S. Security Agreement) and (b) in respect of the UK Borrowers, a control agreement (or any similar agreement, documentation or requirement necessary, including notice to and acknowledgement from the account bank maintaining a Collection Account in the form provided for in the UK Debenture or otherwise agreed by the Administrative Agent in its Permitted Discretion) granting the Administrative Agent the ability to assert sole dominion and control of the relevant Collection Account(s).

"Designated Obligations" means all unpaid principal of and accrued and unpaid interest on the Revolving Loans, Swingline Loans and Protective Advances, all LC Exposure and all accrued and unpaid fees in respect of all of the foregoing.

"Disclosed Matters" means the actions, suits, proceedings and environmental matters disclosed in Schedule 3.06.

"Disposition" or **"Dispose"** means the sale, transfer, license, lease or other disposition (in one transaction or in a series of transactions and whether effected pursuant to a Division or otherwise) of any property by any Person (including any sale and leaseback transaction), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Disqualified Stock" means, with respect to any Person, any Equity Interests of such Person which, by its terms, or by the terms of any security into which it is convertible or for which it is putable or exchangeable, or upon the happening of any event, matures or is mandatorily redeemable (other than solely for Equity Interests that is not Disqualified Stock), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than pursuant to customary provisions relating to redemptions upon a change of control or asset sale to the extent the terms of such Equity Interests provide that such Equity Interests shall not be required to be repurchased or redeemed until the Maturity Date has occurred), in whole or in part, in each case prior to the date that is 180 days after the Maturity Date hereunder; *provided* that, if such Equity Interests are issued under any plan for the benefit of employees of the Company or another Loan Party, such Equity Interests shall not constitute Disqualified Stock solely because they may be required to be repurchased by a Borrower or any other Loan Party in order to satisfy applicable statutory or regulatory obligations.

"Dividing Person" has the meaning assigned to it in the definition of "Division."

"Division" means the division of the assets, liabilities and/or obligations of a Person (the "Dividing Person") among two or more Persons (whether pursuant to a "plan of division" or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

"Division Successor" means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

"Document" has the meaning assigned to such term in the U.S. Security Agreement or such other Security Agreement, as the context may require.

"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. other than (i) a Subsidiary with no material assets other than Equity Interests in one or more Foreign Subsidiaries and (ii) a Subsidiary of a Foreign Subsidiary.

"Early Opt in Election" means, if the then current Benchmark with respect to Dollars is the LIBO Rate, the occurrence of:

(1) a notification by the Administrative Agent to (or the request by the Borrower Representative to the Administrative Agent to notify) each of the other parties hereto that at least five (5) currently outstanding Dollar denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review); and

(2) the joint election by the Administrative Agent and the Borrower Representative to trigger a fallback from the LIBO Rate and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower Representative and the Lenders.

"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 net of tax refunds received during such period, (iii) all amounts attributable to depreciation and amortization expense for such period, (iv) any extraordinary non-cash charges and any extraordinary non-cash losses for such period and (v) any other non-cash charges for such period (but excluding any non-cash charge in respect of an item that was included in Net Income in a prior period and any non-cash charge that relates to the write-down or write-off of inventory), *minus* (b) without duplication and to the extent included in Net Income for such period, (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 gains and any non-cash items of income for such period, all calculated for the Company and its Restricted Subsidiaries on a consolidated basis in accordance with GAAP.

"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 institution established in an EEA Member Country which is a subsidiary of an institution described in clause (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 delegatee) 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 the Borrowers, Intralink®, ClearPar®, Debt Domain, Syndtrak and any other internet or extranet-based site, whether

such electronic system is owned, operated or hosted by the Administrative Agent, any Issuing Bank or any of their respective Related Parties or any other Person, providing for access to data (or transmission of data, in the case of e-mail and e-fax) protected by passcodes or other security system.

"Eligible Accounts" means, at any time, the Accounts of the Borrowers which the Administrative Agent determines in its Permitted Discretion are eligible as the basis for the extension of Loans and the issuance of Letters of Credit. Without limiting the Administrative Agent's discretion provided herein, Eligible Accounts shall not include any Account of a Borrower:

(a) which is not subject to a first priority perfected security interest in favor of the Administrative Agent (which, in the case of Accounts of any UK Borrowers, shall be a first ranking fixed charge);

(b) which is subject to any Lien other than (i) a Lien in favor of the Administrative Agent or (ii) a Permitted Encumbrance or a Lien permitted pursuant to Section 6.02(h) which, in each case, does not have priority over the Lien in favor of the Administrative Agent;

(c) (i) 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 (i), for the same Account Debtor, the Administrative Agent shall include the net amount of such Overage and add back any credits, but only to the extent that such credits do not exceed the total gross receivables from such Account Debtor), or (ii) which has been written off the books of such Borrower 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 hereunder;

(e) which is owing by an Account Debtor rated (or whose parent is rated) Baa3 or higher from Moody's or BBB- or higher from S&P to the extent the aggregate amount of Accounts owing from such Account Debtor and its Affiliates to the Borrowers exceeds thirty-five percent (35%) of the aggregate amount of Eligible Accounts, or Accounts with respect to an Account Debtor other than one previously described by this clause (e), whose Accounts owing to Borrowers exceed twenty-five percent (25%), but in each case only to the extent of such excess;

(f) with respect to which any covenant, representation or warranty contained in this Agreement or in any 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 any Borrower's 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) 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 such Borrower or if such Account was invoiced more than once (but only with respect to the Account or portion of the Account that is duplicative);

(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, administrator, monitor or liquidator of its assets or, in the case of any Account Debtor of the UK Borrowers, any equivalent of the foregoing in the applicable jurisdiction, (ii) had possession of all or a material part of its property taken by any receiver, custodian, trustee, administrator, monitor or liquidator of its assets or, in the case of any Account Debtor of the UK Borrowers, any equivalent of the foregoing in the applicable jurisdiction, (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 Insolvency Law (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 (as defined by the Bankruptcy Code), 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 (or the equivalent in the applicable jurisdiction) in the U.S. or Canada (in the case of Accounts owing to any U.S. Borrower) or the U.S., Canada, or an Eligible Foreign Jurisdiction (in the case of Accounts owing to the UK Borrowers) (in any case, other than an Account Debtor otherwise acceptable to the Administrative Agent in its Permitted Discretion) 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 (in the case of Accounts owing to any U.S. Borrower), or the U.S., any state of the U.S., or the District of Columbia, Canada or any province of Canada, or an Eligible Foreign Jurisdiction (in the case of Accounts owing to the UK Borrowers), 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, in respect of any Account of any UK Borrower, the contract or agreement underlying such Account is governed by (or, if no governing law is expressed therein, is deemed to be governed by) the laws of any jurisdiction other than the U.S., any state of the U.S., Canada, any province of Canada, or any Eligible Foreign Jurisdiction;

(n) which, in respect of any Account of any UK Borrower, is subject to any limitation on charging or other restriction (whether arising by operation of law, by agreement or otherwise) which would under the local governing law of the contract have the effect of restricting the creation of a charge over such Account in the manner required by the UK Debenture, in each case, in favor or for the benefit of the Administrative Agent, unless the Administrative Agent has determined that (i) such limitation is not enforceable or is ineffective under applicable law or has been waived by the applicable Account Debtor or (ii) the applicable Account Debtor has consented to such assignment or the creation of such security;

(o) which is owed in any currency other than U.S. Dollars, in the case of any U.S. Borrower, or Dollars or Sterling, in the case of any UK Borrower;

(p) which is owed by (i) any Governmental Authority 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;

(q) which is owed by any Affiliate of any Loan Party (including Compressco) or any employee, officer, director, agent or equity holder of any Loan Party or any of its Affiliates;

(r) 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;

(s) 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;

(t) which is evidenced by any promissory note, chattel paper or negotiable instrument;

(u) 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 any applicable Borrower to seek judicial enforcement in such jurisdiction of payment of such Account, unless such Borrower has filed such report or is qualified to do business in such jurisdiction or (ii) which is a Sanctioned Person;

(v) with respect to which any applicable Borrower 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 any applicable Borrower created a new receivable for the unpaid portion of such Account;

(w) which does not comply in all material respects with the requirements of all applicable laws and regulations, whether Federal, state or local, or those of a foreign jurisdiction, including without limitation (if applicable) the Federal Consumer Credit Protection Act, the Federal Truth in Lending Act and Regulation Z of the Board;

(x) 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 a Borrower has or has had an ownership interest in such goods, or which indicates any party other than a Borrower as payee or remittance party;

(y) which was created on cash on delivery terms;

(z) which is an Account of any UK Borrower, until such time as the obligations of such UK Borrower under clause (d) of Section 5.18 have been satisfied; or

(aa) which the Administrative Agent determines may not be paid by reason of the Account Debtor's inability to pay or which the Administrative Agent otherwise determines is unacceptable in its Permitted Discretion.

In the event that an Account of a Borrower which was previously an Eligible Account ceases to be an Eligible Account hereunder, the applicable Borrower or 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 any Borrower 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 Borrower to reduce the amount of such Account.

"Eligible Currency" means any currency other than ~~dollars~~Dollars (i) that is readily available, (ii) that is freely traded, (iii) which is convertible into ~~dollars~~Dollars in the international interbank market and (iv) as to which a U.S. Dollar Amount may be readily calculated. If, after the designation by the Lenders of any currency as an Agreed Currency, (x) currency control or other exchange regulations are imposed in the country in which such currency is issued with the result that different types of such currency are introduced, (y) such currency is, in the determination of the Administrative Agent, no longer readily available or freely traded or (z) in the determination of the Administrative Agent, a U.S. Dollar Amount of such currency is not readily calculable, the Administrative Agent shall promptly notify the Lenders and the Borrower Representative, and such currency shall no longer be an Agreed Currency until such time as all of the Lenders agree to reinstate such currency as an Agreed Currency.

"Eligible Foreign Jurisdiction" means any of Australia, Austria, Belgium, Denmark, Finland, France, Germany, Italy, Ireland, Luxembourg, the Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and any member country of the United Kingdom.

"Eligible Inventory" means, at any time, the Inventory of the Borrowers which the Administrative Agent determines in its Permitted Discretion is eligible as the basis for the extension of Loans and the issuance of Letters of Credit. Without limiting the Administrative Agent's discretion provided herein, Eligible Inventory of a Borrower shall not include any Inventory:

- (a) which is not subject to a first priority perfected Lien (or, in the case of a UK Borrower, a first ranking fixed or floating charge) in favor of the Administrative Agent;
- (b) which is subject to any Lien other than (i) a Lien in favor of the Administrative Agent or (ii) a Permitted Encumbrance or a Lien permitted pursuant to Section 6.02(h) which, in each case, does not have priority over the Lien in favor of the Administrative Agent;
- (c) which is, in the Administrative Agent's 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 any 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 Borrower 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) is not finished goods or which constitutes work-in-process, raw materials, spare or replacement parts or subassemblies, 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 in the ordinary course of business or (y) to be used to provide fluid management, frac flowback, production well testing, offshore rig cooling and compression services or other ancillary services which the Borrowers are permitted to provide pursuant to Section 5.03;
- (g) with respect to any U.S. Borrower, which is not located in the U.S. or is in transit with a common carrier from vendors and suppliers and, with respect to any UK Borrower, which is not located in the United Kingdom or the U.S.;
- (h) which is located in any location leased by a Borrower 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; provided, that no Collateral Access Agreement shall be required or Rent Reserve shall be implemented until (A) with respect to any U.S. Loan Party, the sixtieth (60th) day after the Effective Date and (B) with respect to any UK Borrower, the sixtieth (60th) day after the Second Amendment Effective Date;
- (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, bailee or other third party has delivered to the Administrative Agent a Collateral Access Agreement and such other documentation as the Administrative Agent may require or (ii) an appropriate Rent Reserve has been established by the Administrative Agent in its Permitted Discretion; provided, that no Collateral Access Agreement shall be required or Rent Reserve shall be implemented until (A) with respect to any U.S. Loan Party, the sixtieth (60th) day after the Effective Date and (B) with respect to any UK Borrower, the sixtieth (60th) day after the Second Amendment Effective Date;
- (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 require or (ii) a Rent Reserve has been established by the Administrative Agent in its Permitted Discretion; provided, that no Collateral Access Agreement shall be required or Rent Reserve shall be implemented until (A) with respect to any U.S. Loan Party, the sixtieth (60th) day after the Effective Date and (B) with respect to any UK Borrower, the sixtieth (60th) day after the Second Amendment Effective Date;

(k) which is a discontinued product or component thereof;

(l) which is the subject of a consignment by any Loan Party as consignor;

(m) which is perishable;

(n) which contains or bears any intellectual property rights licensed to any 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;

(o) which is not reflected in a current perpetual inventory report of the Borrowers (unless such Inventory is reflected in a report to the Administrative Agent as "in transit" Inventory);

(p) for which reclamation rights have been asserted by the seller;

(q) which has been acquired from a Sanctioned Person;

(r) of any UK Borrower for which (i) any contract or related documentation (such as invoices or purchase orders) relating to such Inventory includes retention of title rights in favor of the vendor or supplier thereof, or (ii) under applicable governing laws, retention of title may be imposed unilaterally by the vendor or supplier thereof; or

(s) which the Administrative Agent otherwise determines is unacceptable in its Permitted Discretion.

In the event that Inventory of a Borrower which was previously Eligible Inventory ceases to be Eligible Inventory hereunder, the applicable Borrower or 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 Investment Grade Account" means an Eligible Account that is owed by an Investment Grade Account Debtor.

"Eligible Unbilled Account" means an Account of a U.S. Borrower owed by an Account Debtor which meets all criteria of an "Eligible Account" except that (a) as of any date of determination, the invoice with respect thereto has not yet been submitted to such Account Debtor, so long as the period following the date on which the applicable Borrower recognizes such Account in its books and records and prior to the date of the issuance of the invoice with respect thereto is less than thirty (30) days, and (b) all Eligible Unbilled Accounts shall not exceed, in the aggregate, 20% of Availability as set forth in the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to Section 5.01(f) of this Agreement, provided that, for the purposes of this clause (b), Eligible Unbilled Accounts owed by Shell Exploration and Production Company shall not exceed, in the aggregate, 5% of Availability as set forth in the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to Section 5.01(f) of this Agreement.

"Environmental Laws" means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, binding 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 related to exposure to Hazardous Materials in the environment.

"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 any Restricted 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.

"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.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with any Borrower, is treated as a single employer under Section 414(b) or (c) of the Code 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 to satisfy the "minimum funding standard" (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived, with respect to a Plan; (c) the filing pursuant to Section 412(c) of the Code or Section 302(c) 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 ERISA Affiliate 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 ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal of any Borrower or any ERISA Affiliate from any Plan or Multiemployer Plan; or (g) the receipt by any Borrower or any ERISA Affiliate of any notice concerning the imposition upon any Borrower

or any ERISA Affiliate of Withdrawal Liability or a determination that a Multiemployer Plan is insolvent or in endangered, critical or critical and declining status, within the meaning 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 Assets" means, collectively, (a) the "Excluded Assets" (as defined in the U.S. Security Agreement) and (b) the "Excluded Assets" (as defined in the UK Debenture).

"Excluded Swap Obligation" means, with respect to any Loan Party individually determined on a Loan Party by Loan Party basis, any Swap Obligation if, and solely to the extent that, all or a portion of the Guarantee of such Loan Party of, or the grant by such Loan Party 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) by virtue of such Loan Party's failure for any reason to constitute an ECP at the time the Guarantee of such Loan Party or the grant of such security interest becomes or would become effective with respect to such 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 (in each case, other than a UK Obligation) 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 (other than any Taxes arising on any payments by or on account of any obligation of a UK Borrower) attributable to such Recipient's failure to comply with [Section 2.17\(f\)](#); (d) any Taxes imposed under FATCA; and (e) any Taxes that would have given rise to an increased payment under [Section 2.17\(a\)](#) but for the application of one of the exclusions in [Section 2.17\(g\)\(i\)](#).

"Existing Credit Agreement" means that certain Credit Agreement dated as of June 27, 2006, by and among the Company, the other borrowers party thereto, the lenders from time to time party thereto and JPMCB, as administrative agent, as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the date hereof.

"Existing Letters of Credit" means the letters of credit originally issued under the terms of the Existing Credit Agreement, which are outstanding on the Effective Date and are listed on [Schedule 1.01](#).

"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.

"FATCA Deduction" means a deduction or withholding from a payment under a Loan Document for and on account of any Taxes required by FATCA.

"FCA" has the meaning assigned to such term in [Section 1.08](#).

"Federal Funds Effective Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions (as determined in such manner as the NYFRB shall set

forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate; provided that, if the Federal Funds Effective Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"Fee Letter" means, collectively, (a) that certain fee letter dated June 27, 2018, between the Company and JPMCB and (b) any other agreement now or at any time hereafter entered into between the Borrowers, the Administrative Agent, any 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.

"Financial Covenant Testing Period" means (a) any period commencing on the first date on which Availability is less than the greater of (a) \$10,000,000 and (b) 12.5% of the lesser of (i) the Borrowing Base then in effect and (ii) the Commitments, and continuing until the date upon which both (x) Availability has been equal to or greater than the greater of (a) \$10,000,000 and (b) 12.5% of the lesser of (i) the Borrowing Base then in effect and (ii) the Commitments at all times during the preceding thirty (30) consecutive day period, and (y) no Event of Default has occurred and is continuing during such thirty (30) consecutive day period and (b) a period commencing on any date on which a Specified Default shall have occurred and continuing until no Specified Default shall have existed during the preceding thirty (30) consecutive days.

"Financial Officer" means the chief financial officer, principal accounting officer, chief accounting officer, treasurer, controller or vice president of finance of a Borrower.

"Financial Support Direction" means a financial support direction issued by the Pensions Regulator under section 43 of the Pensions Act 2004 (U.K.).

“Fixed Charge Coverage Ratio” means, at any date, the ratio of (a) EBITDA for the applicable measurement period, *minus* Unfinanced Capital Expenditures made during such period to (b) Fixed Charges, all calculated for the period of four consecutive fiscal quarters ended on such date (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).

“Fixed Charges” means, for any period, without duplication, cash Interest Expense, *plus* scheduled principal payments on Indebtedness actually made or required to be made, *plus* any excess cash flow mandatory prepayment pursuant to Section 2.04(b)(i) of the Term Loan Agreement, but for the avoidance of doubt excluding any mandatory prepayment from asset sales and casualty events pursuant to Sections 2.04(b)(ii) and 2.04(b)(iii) of the Term Loan Agreement, *plus* Capital Lease Obligation payments, *plus* expenses for Taxes paid in cash, *plus* Restricted Payments paid in cash, *plus* cash contributions to any Plan, all calculated for the Company and its Restricted Subsidiaries on a consolidated basis in accordance with GAAP, *plus* payments made in respect of the Swiftwater Earnout.

“Flood Laws” has the meaning assigned to such term in [Section 8.10](#).

“Floor” means the benchmark rate floor, if any, provided in this Agreement *initially* (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the [LIBO Rate or Adjusted Term SOFR Rate](#), each [Adjusted Daily Simple RFR, Overnight Swingline Rate or the Central Bank Rate](#), as applicable. [For the avoidance of doubt, the initial Floor for each of Adjusted Term SOFR Rate, Adjusted Daily Simple RFR, Overnight Swingline Rate and the Central Bank Rate shall be 0.00%](#).

“Foreign Currencies” means Agreed Currencies other than [dollars](#) [Dollars](#).

“Foreign Lender” means (a) if a Borrower is a U.S. Person, a Lender, with respect to such Borrower, that is not a U.S. Person, and (b) if a Borrower is not a U.S. Person, a Lender, with respect to such Borrower, that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes.

“Foreign Letter of Credit” means a Letter of Credit denominated in a Foreign Currency.

“Foreign Pension Plan” means any pension plan, pension undertaking, supplemental pension, defined benefit pension scheme, occupational pension scheme, retirement savings or other retirement income plan, obligation or arrangement of any kind that is not subject to U.S. law and that is established, maintained or contributed to by any Loan Party or in respect of which any Loan Party has any liability, obligation or contingent liability.

“Foreign Subsidiary” means any Subsidiary which is not a Domestic Subsidiary.

“Funding Account” has the meaning assigned to such term in [Section 4.01\(h\)](#).

“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, the European Central Bank, the Council of Ministers of the European Union, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity (including any European supranational body) 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.

“Guaranteed Obligations” has the meaning assigned to such term in [Section 10.01](#).

“Guarantor Payments” has the meaning assigned to such term in [Section 10.11\(a\)](#).

“Hazardous Materials” means: (a) any substance, material, or waste that is included within the definitions of “hazardous substances,” “hazardous materials,” “hazardous waste,” “toxic substances,” “toxic materials,” “toxic waste,” or words of similar import in any law or regulation related to protection of the environment; (b) those substances listed as hazardous substances by the United States Department of Transportation (or any successor agency) (49 C.F.R. 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) (40 C.F.R. Part 302 and amendments thereto); and (c) any substance, material, or waste that is petroleum, petroleum-related, or a petroleum by-product, asbestos or asbestos-containing material, polychlorinated biphenyls, explosive, radioactive, freon gas or radon.

“Impacted LIBO Rate Interest Period” has the meaning assigned to such term in the definition of “LIBO Rate.”

“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 (i) accounts payable incurred in the ordinary course of business not past due for more than 60 days after the due date therefor or outstanding for more than 90 days after the date such invoice was created, unless such account is being contested in good faith and appropriate reserves

made, (ii) customary purchase price holdbacks in respect of portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller and (iii) deferred compensation accrued 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 (it being understood that if such Person has not assumed or otherwise become personally liable for any such Indebtedness, the amount of the Indebtedness of such Person in connection therewith shall be limited to the lesser of the face amount of such Indebtedness or the fair market value of all property of such Person securing such Indebtedness), (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 earn-out (which for all purposes of this

Agreement, shall be valued at the maximum potential amount payable with respect to each such earn-out), (l) any other Off-Balance Sheet Liability and (m) obligations, whether absolute or contingent and howsoever 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 (i) to the extent the terms of such Indebtedness provide that such Person is not liable therefor and (ii) that no Loan Party or Restricted Subsidiary shall be deemed liable for any Indebtedness of Compressco solely arising from the ownership of CSI Compressco LP by CSI Compressco GP. Notwithstanding anything to the contrary contained herein, Indebtedness shall not include (i) any amounts relating to preferred equity (other than Disqualified Stock) or (ii) any obligation that is repayable solely by the delivery of Equity Interests (other than the Disqualified Stock), or in exchange for Equity Interests (other than Disqualified Stock).

"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 the Borrowers 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](#).

"Insolvency Laws" means each of the Bankruptcy Code and the United Kingdom's Insolvency Act 1986, in each case as amended, and any other applicable national, state, provincial, territorial or federal bankruptcy laws, each as now and hereafter in effect, any successors to such statutes and any other applicable insolvency or other similar law of any jurisdiction, including any law of any jurisdiction permitting a debtor to obtain a stay or a compromise of the claims of its creditors against it and including any rules and regulations pursuant thereto.

"Insolvency Regulation" means Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast).

"Intercreditor Agreement" means that certain Intercreditor Agreement dated as of the Effective Date among certain of the Borrowers, each other Loan Party from time to time party thereto, the Administrative Agent, as the ABL Representative, and the Term Loan Agent, as the Term Loan Representative, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"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 Company and its Restricted Subsidiaries for such period with respect to all outstanding Indebtedness and capitalized interest of the Company and its Restricted 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 Company and its Restricted Subsidiaries for such period in accordance with GAAP.

"Interest Payment Date" means (a) with respect to any ABR Loan (other than a Swingline Loan), the first calendar 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 such numerically corresponding day in such month, then the last day of such month) and (2) the Maturity Date, and (c) with respect to any Term Benchmark Loan, the last day of the 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 the Maturity Date.

"Interest Period" means, with respect to any Term Benchmark Borrowing, the period commencing on the date of such Term Benchmark 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 for any Agreed Currency), 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, in the case of a Term Benchmark Borrowing only, 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 pertaining to a Term Benchmark Borrowing 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, 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 applicable Security Agreement.

“Investment” has the meaning assigned to such term in [Section 6.04](#).

“Investment Grade Account Debtor” means, at any time, any Account Debtor, including, without limitation, Baker Hughes Company, Halliburton Energy Services, Inc., and Schlumberger Limited, whose securities are rated BBB- or better by S&P or Baa3 or better by Moody’s at such time.

“IRS” means the United States Internal Revenue Service.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“Issuing Bank” 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). 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 Sublimit” means, as of the Effective Date, (i) \$20,000,000 in the case of JPMCB, and (ii) such amount as shall be designated to the Administrative Agent and the Borrower Representative in writing by any other 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 solely with respect to any increase, written consent of the Borrower Representative; provided that, in no event shall the aggregate amount of any and/or all Issuing Bank Sublimits exceed \$20,000,000 at any time.

“Joinder Agreement” means a Joinder Agreement in substantially the form of [Exhibit D-1](#).

“JPMCB” means JPMorgan Chase Bank, N.A., a national banking association, in its individual capacity, and its successors.

“Judgment Currency” has the meaning assigned to it in [Section 9.22](#).

“LC Collateral Account” has the meaning assigned to such term in [Section 2.06\(i\)](#).

“LC Disbursement” means any 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 at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the aggregate LC Exposure at such time.

“Lead Arrangers” means JPMCB and Bank of America, N.A., in their capacities as joint lead arrangers.

“Legal Reservations” means:

- (a) the principle that remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganization and other laws generally affecting the rights of creditors;
- (b) the time barring of claims and defenses of set-off or counterclaim;
- (c) similar principles, rights and defenses under the law of any relevant jurisdiction; and
- (d) any other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinions supplied to the Administrative Agent under this Agreement or any other Loan Document.

“Lender Parties” means, individually and collectively as the context may require, the Administrative Agent, the Lenders, the Issuing Banks and the Qualified Counterparties party to any Banking Services Agreement or Swap Agreement with any Loan Party.

“Lenders” means the Persons listed on the Commitment Schedule and any other Person that shall have become a Lender hereunder pursuant to [Section 2.09](#) or an Assignment and Assumption, other than any such Person that ceases to be a Lender hereunder pursuant to an Assignment and Assumption. 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 the term **“Letter of Credit”** means any one of them or each of them singularly, as the context may require.

“Liabilities” means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

"LIBO Interpolated Rate" means, at any time, with respect to any Term Benchmark Borrowing denominated in Dollars and for any Interest Period, the rate per annum (rounded to the same number of decimal places as the LIBO Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period (for which the LIBO Screen Rate is available for the applicable Agreed Currency) that is shorter than the Impacted LIBO Rate Interest Period; and (b) the LIBO Screen Rate for the shortest period (for which the LIBO Screen Rate is available for the applicable Agreed Currency) that exceeds the Impacted LIBO Rate Interest Period, in each case, at such time; provided, that, if any LIBO Interpolated Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"LIBO Rate" means, with respect to any Term Benchmark Borrowing for any applicable Interest Period or for any ABR Borrowing, the LIBO Screen Rate at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period; provided that, if the LIBO Screen Rate shall not be available at such time for such Interest Period (an **"Impacted LIBO Rate Interest Period"**) with respect to such Agreed Currency, then the LIBO Rate shall be the LIBO Interpolated Rate, subject to Section 2.14 in the event that the Administrative Agent shall conclude that it shall not be possible to determine such LIBO Interpolated Rate (which conclusion shall be conclusive and binding absent manifest error). Notwithstanding the above, to the extent that "LIBO Rate" or "Adjusted LIBO Rate" is used in connection with an ABR Borrowing, such rate shall be determined as modified by the definition of Alternate Base Rate.

"LIBO Screen Rate" means, for any day and time, with respect to any Term Benchmark Borrowing denominated in Dollars and for any Interest Period or for any ABR Borrowing, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for such Agreed Currency) for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that if the LIBO Screen Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

"LIBOR" has the meaning assigned to such term in Section 1.08.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest (including, in the case of a UK Borrower, any land charge, pledge, lien, assignment by way of security, assignment or transfer for security purpose or other security interest securing an obligation of any person or any other agreement or arrangement having a similar effect) in, on or of such asset, and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention (including extended retention of title) agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

"Loan Documents" means, collectively, this Agreement, any promissory notes issued pursuant to this Agreement, any Letter of Credit applications, the Collateral Documents, the Loan Guaranty, the Intercreditor Agreement, 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 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, whether heretofore, now or hereafter executed by or on behalf of any Loan Party, and delivered to any Issuing Bank, 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 each Loan Party.

"Loan Guaranty" means Article X of this Agreement.

"Loan Parties" means, collectively, (a) the U.S. Loan Parties and (b) the UK Borrowers.

"Loans" means the loans and advances made by the Lenders pursuant to this Agreement, including Swingline Loans, Overadvances and Protective Advances.

"Luxembourg Account Pledge" means an Account Pledge Agreement (in form and substance reasonably satisfactory to the Administrative Agent) between TETRA Technologies U.K. Limited and the Administrative Agent with respect to certain bank accounts of TETRA Technologies U.K. Limited opened with J.P. Morgan Bank Luxembourg, S.A., as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Master Intercompany Note" means that certain Master Intercompany Note by and among the Loan Parties and certain Subsidiaries thereof party thereto, as the same may be amended, supplemented, restated or otherwise modified from time to time.

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, operations or condition (financial or otherwise) of the Company and its Restricted Subsidiaries taken as a whole, (b) the ability of the Loan Parties taken as a whole to perform their material obligations under the Loan Documents, (c) any material portion of the Collateral or the Administrative Agent's Liens (on behalf of itself and the other Secured Parties) on any material portion of the Collateral or the priority of such Liens (other than solely as the result of any action or failure to act on the part of the Administrative Agent), or (d) the material rights of or benefits available to the Administrative Agent, the Issuing Banks or the Lenders under any of the Loan Documents.

"Material Contract" means (a) any contract or other arrangement, whether written or oral, to which the Company or any other Loan Party is a party as to which (individually or together with all substantially related contracts), in each case, involves aggregate revenues or expenditures in excess of \$25,000,000 in any fiscal year and (b) any agreement or instrument evidencing or governing Material Indebtedness.

"Material Domestic Subsidiy" means any Restricted Subsidiy that (a) is a Domestic Subsidiy and, together with its own consolidated Restricted Subsidiys, either (i) owns or holds assets with an aggregate value greater than two and one-half percent (2.5%) of the aggregate value of all the assets of the Company and its Restricted Subsidiys on a consolidated basis, or (ii) has gross revenues in excess of two and one-half percent (2.5%) of the gross revenues of the Company and its Restricted Subsidiys on a consolidated basis, in each case based on the most recent consolidated financial statements of the Company; provided that if (x) the aggregate value of all the assets of all Restricted Subsidiys that would not constitute Material Domestic Subsidiys exceeds five percent (5%) of the aggregate value of all of the assets of the Company and its Restricted Subsidiys, on a

consolidated basis, or (y) the gross revenues of all Restricted Subsidiys that would not constitute Material Domestic Subsidiys exceeds five percent (5%) of the gross revenues of the Company and its Restricted Subsidiys, on a consolidated basis, then in each case one or more of such excluded Restricted Subsidiys shall for all purposes of this Agreement be deemed to be Material Domestic Subsidiys in descending order based on the aggregate value of their assets or their gross revenues until such excess has been eliminated, or (b) is a guarantor with respect to the Specified Term Indebtedness. For the avoidance of doubt and notwithstanding anything herein to the contrary, in no event shall (i) CSI Compressco GP or any of the entities comprising Compressco or (ii) any Foreign Subsidiy, in either case, constitute a Material Domestic Subsidiy.

"Material Indebtedness" means Indebtedness (other than the Loans and Letters of Credit) of any one or more of the Company and its Restricted Subsidiys in an aggregate outstanding principal amount exceeding \$20,000,000. For purposes of determining Material Indebtedness, the obligations of the Loan Parties or any of their Restricted Subsidiys 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 Restricted Subsidiy would be required to pay if such Swap Agreement were terminated at such time.

"Maturity Date" means May 31, 2025 or any earlier date on which the Commitments are terminated pursuant to the terms hereof.

"Maximum Rate" has the meaning assigned to such term in Section 9.17.

"Moody's" means Moody's Investors Service, Inc.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA to which any Borrower or any ERISA Affiliate contributes to, or within the past five years, has contributed to or has any liability.

"Net Income" means, for any period, the consolidated net income (or loss) of the Company and its Restricted Subsidiys, 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 Restricted Subsidiy or is merged into or consolidated with the Company or any of its Restricted Subsidiys, (b) the income (or deficit) of any Person (other than a Restricted Subsidiy) in which the Company or any of its Restricted Subsidiys has an ownership interest, except to the extent that any such income is actually received by a Loan Party in the form of dividends or similar distributions and (c) the undistributed earnings of any Restricted Subsidiy to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiy 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 Restricted Subsidiy.

"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 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, (iii) any reserve for adjustments in respect of the sale price of such asset or assets established in accordance with GAAP and (iv) 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-Recourse Pledgor" means each of CSI Compressco GP and CSI Compressco Investment LLC, a Delaware limited liability company.

"NYFRB" means the Federal Reserve Bank of New York.

"NYFRB Rate" means, for any day, the greater of (i) the Federal Funds Effective Rate in effect on such day and (ii) 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 federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Obligated Party" has the meaning assigned to such term in Section 10.02.

"Obligations" means, individually and collectively, the U.S. Obligations and the UK Obligations, 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 sheet of such Person (other than operating leases).

"Organizational Documents" means, with respect to any Person, the charter, articles or certificate of formation, organization or incorporation and bylaws, limited liability company agreement, partnership agreement or other equivalent organizational or governing documents of such Person.

"Original Indebtedness" has the meaning assigned to such term in [Section 6.01\(f\)](#).

"Other Benchmark Rate Election" means, with respect to any Loan denominated in Dollars, if the then-current Benchmark is the LIBO Rate, the occurrence of:

(a) a request by the Borrower Representative to the Administrative Agent to notify each of the other parties hereto that, at the determination of the Borrower Representative, Dollar denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed), in lieu of a LIBOR-based rate, a term benchmark rate as a benchmark rate, and

(b) the Administrative Agent, in its sole discretion, and the Borrower Representative jointly elect to trigger a fallback from the LIBO Rate and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower Representative and the Lenders.

"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](#)).

"Overadvance" has the meaning assigned to such term in [Section 2.05\(c\)](#).

"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.

"Overage" has the meaning assigned to such term in the definition of "Eligible Accounts".

"Overnight Bank Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight [Term Benchmark Borrowings 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 [its public website 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 (from and after such date as the NYFRB shall commence to publish such composite rate).

"Overnight Rate" means, for any day, (a) with respect to any amount denominated in Dollars, the NYFRB Rate and (b) with respect to any amount denominated in an Alternative Currency, an overnight rate determined by the Administrative Agent or the Issuing Banks, as the case may be, in accordance with banking industry rules on interbank compensation.

"Overnight Swingline Rate" means, for any day, for Loans denominated in (a) Sterling, the Adjusted Daily Simple RFR for Sterling, and (b) Dollars, the Adjusted Daily Simple RFR for Dollars; provided that if an Overnight Swingline Rate shall be less than the Floor, such rate shall be deemed to be the Floor for all purposes of this Agreement.

"Overnight Swingline Rate Loans" means, as Loans the context may require, (a) rate of interest applicable to which is based on the UK Overnight Rate or (b) the US Overnight Swingline 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 103% of the LC Exposure as of the date of such payment), (c) the indefeasible payment in full in cash of the accrued and unpaid fees, (d) the payment in full in cash of all reimbursable expenses and other Secured 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, (e) the termination of all Commitments, and (f) the termination of the Swap Obligations and, if requested by the Administrative Agent or the applicable Secured Party, the termination of such Banking Services under clause (a) or (b) of the definition thereof constituting Banking Services Obligations or entering into other arrangements satisfactory to the Secured Parties counterparties thereto.

"Parent" means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

"Participant" has the meaning assigned to such term in [Section 9.04\(c\)](#).

"Participant Register" has the meaning assigned to such term in Section 9.04(c).

"Payment" has the meaning assigned to it in Section 8.07(c).

"Payment Conditions" means, with respect to any Restricted Payment made pursuant to Section 6.08(a)(viii), any investmentInvestment made pursuant to Section 6.04(o), or payment of Indebtedness pursuant to Section 6.08(b)(ii)(B), (a) no Default or Event of Default shall have occurred and be continuing on the date of such Restricted Payment, investmentInvestment or payment of Indebtedness, or would result immediately after giving effect to such Restricted Payment, investmentInvestment or payment of Indebtedness, (b) immediately after giving effect to and at all times during the thirty (30) consecutive day period immediately prior to such Restricted Payment, investmentInvestment or payment of Indebtedness, the Borrowers shall have (1) (x) Availability, calculated on a pro forma basis immediately after giving effect thereto, of not less than the greater of (A) 17.5% of the greater of the Borrowing Base and the Commitments or (B) \$15,000,000, and (y) a Fixed Charge Coverage Ratio, calculated on a pro forma basis immediately after giving effect thereto, of not less than 1.00 to 1.00 or (2) Availability, calculated on a pro forma basis immediately after giving effect thereto, of not less than the greater of (A) 25% of the greater of the Borrowing Base and the Commitments or (B) \$20,000,000 and (c) 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 (a) and (b) above and attaching calculations for item (b).

"Payment Notice" has the meaning assigned to it in Section 8.07(c).

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

"Pensions Regulator" means the body corporate called the Pensions Regulator established under Part I of the Pensions Act 2004 (U.K.).

"Perfection Certificate" means that certain Perfection Certificate dated as of the date hereof, executed by the Loan Parties 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 not engaged, directly or indirectly, in any line of business other than the businesses in which the Borrowers and their Restricted Subsidiaries are engaged on the Effective Date and any business activities that are substantially similar, related, or incidental thereto;

(c) both immediately before and after giving effect to such Acquisition and the Loans (if any) requested to be made in connection therewith, each of the representations and warranties in the Loan Documents is true and correct (except (i) any such representation or warranty which relates to a specified prior date and (ii) to the extent the Lenders have been notified in writing by the Borrower Representative that any representation or warranty is not correct and the Required Lenders have explicitly waived in writing compliance with such representation or warranty) and no Default or Event of Default exists, will exist, or would result therefrom;

(d) with respect to any Permitted Acquisition (or series of related Permitted Acquisitions) for which the purchase consideration payable (including deferred payment obligations) in connection therewith exceeds \$25,000,000 in the aggregate, not less than ten (10) days prior to the anticipated closing date of the proposed Acquisition (or such shorter period prior to such Acquisition as the Administrative Agent may permit in its sole discretion), the Borrower Representative has provided the Administrative Agent (i) notice of such Acquisition, (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 and (iii) copies of the acquisition agreement and other material documents relative to the proposed Acquisition;

(e) if the Accounts and Inventory acquired in connection with such Acquisition are proposed to be included in the determination of the Borrowing Base, the Administrative Agent shall have conducted an appraisal, audit or field examination, as applicable, of such Accounts and Inventory, the results of which shall be satisfactory to the Administrative Agent; provided that such appraisals, audits or field examinations shall not be a condition to consummating a Permitted Acquisition if such Accounts and Inventory are not to be included in the determination of the Borrowing Base at the consummation of the Permitted Acquisition;

(f) if such Acquisition is an acquisition of assets located in the U.S., then such Acquisition is structured so that a Loan Party shall acquire such assets;

(g) if such Acquisition involves a merger or a consolidation involving a Borrower or any other Loan Party, a Borrower or a Loan Party, as applicable, shall be the surviving entity;

(h) no Loan Party nor any Restricted Subsidiary 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 would reasonably be expected to have a Material Adverse Effect;

(i) in connection with an Acquisition of the Equity Interests of any Person, all Liens on property of such Person shall be terminated unless 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;

(j) 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, immediately after giving effect to the completion of such Acquisition, the Acquisition Payment Conditions are satisfied;

(k) all actions required to be taken with respect to any newly acquired or formed wholly-owned Subsidiary of any Loan Party or any Restricted Subsidiary, as applicable, including receipt of all documentation and other information required by bank regulatory authorities under applicable "Know Your

Customer" and anti-money laundering rules and regulations, shall have been taken, in each case, unless such newly acquired or formed wholly-owned Subsidiary is designated as an Unrestricted Subsidiary in accordance with Section 5.15(b) immediately upon the consummation of such Acquisition; and

(l) the Borrower Representative shall have delivered to the Administrative Agent the final executed material documentation relating to such Acquisition within ten (10) Business Days following the consummation thereof (or such later date as the Administrative Agent may agree in its sole discretion).

"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 5.03;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, suppliers' and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not yet delinquent or are being contested in compliance with Section 5.03;

(c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or other similar laws or regulations under any Requirement of Law;

(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 incurred in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business;

(e) Liens arising from precautionary UCC financing statement filings regarding operating leases entered into by any Loan Party or its Subsidiaries, as lessee, in the ordinary course of business covering only the property of the lessor under such lease;

(f) judgment Liens in respect of judgments that do not constitute an Event of Default under clause (m) of Article VII;

(g) 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;

(h) the interests of lessors under operating leases and non-exclusive licensors under license agreements;

(i) encumbrances, easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations in any property or rights-of-way of a Person for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines, removal of gas, oil, coal, metals, steam, minerals, timber or other natural resources, and other like purposes, or for the joint or common use of real property, rights-of-way, facilities or equipment, or defects, irregularity and deficiencies in title of any property or rights-of-way, in each case, that are imposed by law or arise 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;

(j) Liens that are replacements of Liens permitted under Section 6.02 to the extent that the original Indebtedness is the subject of permitted Refinance Indebtedness and so long as the replacement Liens only encumber those assets that secured the original Indebtedness;

(k) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under Section 6.01;

(l) rights reserved to or vested in any municipality or governmental, statutory or public authority to control, regulate or use any property of a Person; and

(m) zoning, planning and Environmental Laws and ordinances and municipal regulations, which do not, in any case, materially detract from the value of such property or impair the use thereof in the ordinary course of business;

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness, except with respect to clauses (f) and (j) 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, bankers' 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.

"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.

"Platform" means Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system.

"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 Loan Party or any Restricted Subsidiary, other than Dispositions permitted by 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 Loan Party or Restricted Subsidiary with a fair value immediately prior to such event equal to or greater than \$1,000,000.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMCB as its prime rate in effect at its principal offices in New York City. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

"Projections" has the meaning assigned to such term in Section 5.01(d).

"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.

"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 9.21.

"Qualified Counterparty" means, with respect to any Banking Services or Swap Agreements, any counterparty thereto that, at the time such Banking Services or Swap Agreement was entered into or as of the Second Amendment Effective Date, was the Administrative Agent, a Lender or an Affiliate thereof.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, each U.S. Loan Party that has total assets exceeding \$10,000,000 at the time the relevant Loan Guaranty 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.

"Recipient" means, as applicable, (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, 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 LBO Term SOFR Rate, 11:00:5:00 a.m. (London, Chicago time), on the day that is two London banking days (2 U.S. Government Securities Business Days) preceding the date of such setting, (b) if the RFR for such Benchmark is SONIA, then four (4) RFR Business Days prior to such setting, (c) if the RFR for such Benchmark is Daily Simple SOFR, then four (4) RFR Business Days prior to such setting or (d) if such Benchmark is neither none of the LBO Term SOFR Rate nor SONIA 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(b).

"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 (a) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board and/or the NYFRB, or a committee officially endorsed or convened by the Board and/or the NYFRB or, in each case, any successor thereto, (b) with respect to a Benchmark Replacement in respect of Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, and (c) with respect to a Benchmark Replacement in respect of Loans denominated in any other currency, (i) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (ii) any working group or committee officially endorsed or convened by (A) the central bank for the currency in which such Benchmark Replacement is denominated, (B) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

"Relevant Rate" means, as applicable (a) with respect to any Term Benchmark Borrowing denominated in Dollars, the ~~LIBOR~~ Adjusted Term SOFR Rate, or (b) with respect to any RFR Borrowing denominated in Sterling or Dollars, the applicable Adjusted Daily Simple RFR, (c) with respect to any Borrowing Overnight Swingline Rate Loan denominated in Sterling, the Adjusted Daily Simple RFR for Sterling and (d) with respect to any Overnight Swingline Rate Loan denominated in Dollars, the Adjusted Daily Simple RFR for Dollars.

"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, three (3) months' rent at such facility, warehouse distribution center, regional distribution center or depot and (b) in the case of any other location, any amount determined by the Administrative Agent in its Permitted Discretion in respect of liabilities owed to the applicable consignee, bailee 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 Borrowers 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 Revolving Exposures and unused Commitments representing greater than 51% of the sum of the Aggregate Revolving Exposure and unused Commitments at such time; provided, that, as long as there are fewer than three (3) Lenders (who are not Affiliates of one another or Defaulting Lenders), Required Lenders shall mean all Lenders (who are not Affiliates of one another).

"Requirement of Law" means, with respect to any Person, 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.

"Reserves" means any and all reserves which the Administrative Agent deems necessary, in its Permitted Discretion, to maintain (including, without limitation, reserves for accrued and unpaid interest on the Secured Obligations, UK Priority Payables Reserve (in the case of a UK Borrower), Banking Services Reserves, Rent Reserves, volatility reserves, reserves for consignee's, warehousemen's and bailee's charges, reserves for dilution of Accounts, reserves for Inventory shrinkage, reserves for customs charges and shipping charges related to any Inventory in transit, reserves for Swap Obligations, reserves for contingent liabilities of any Loan Party, reserves for uninsured losses of any Loan Party, reserves for uninsured, underinsured, un-indemnified or under-indemnified liabilities or potential liabilities with respect to any litigation, reserves for amounts which rank ahead of the Administrative Agent's Lien on the Collateral by operation of law and reserves for taxes (including applicable sales tax and any VAT), fees, assessments, and other governmental charges with respect to the Collateral or any Loan Party, reserves to account for fluctuations in the exchange rates of Sterling into Dollars, reserves for VAT, and other reserves to reflect any impediments to the Administrative Agent's ability to realize upon the Collateral (including, without limitation, in respect of royalties payable on Inventory which contains or bears licensed intellectual property rights)).

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Company or any of its Restricted Subsidiaries (including in respect of Disqualified Stock), 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 the Company or any of its Restricted Subsidiaries (including Disqualified Stock) or any option, warrant or other right to acquire any such Equity Interests in the Company or any of its Restricted Subsidiaries.

"Restricted Subsidiary" means any direct or indirect Subsidiary of the Company (unless otherwise specified) that is not an Unrestricted Subsidiary. For purposes of this Agreement and the other Loan Documents, Compressco is not, and will not, constitute a Restricted Subsidiary.

"Revaluation Date" means (a) with respect to any Loan denominated in any Alternative Currency, each of the following: (i) the date of the Borrowing of such Loan and (ii) with respect to any Term Benchmark Loan, each date of a conversion into or continuation of such Loan pursuant to the terms of this Agreement; (b) with respect to any Foreign Letter of Credit denominated in an Alternative Currency, each of the following: (i) each date of issuance of a Foreign Letter of Credit, (ii) each date of an amendment of any such Foreign Letter of Credit having the effect of changing the amount thereof, (iii) each date of any payment by the applicable Issuing Bank under any Foreign Letter of Credit, (iv) the date notice demanding cash collateralization is delivered to the Borrower Representative pursuant to Section 2.06(j); and (c) such additional dates as the Administrative Agent or the applicable Issuing Bank shall determine or the Required Lenders shall require.

"Revolving Exposure" means, with respect to any Lender at any time, the sum of (a) the outstanding principal amount of such Lender's Revolving Loans, LC Exposure and its Swingline Exposure at such time, plus (b) its Protective Advance Exposure outstanding at such time, plus (c) its Overadvance Exposure at such time.

"Revolving Loan" means a Loan made pursuant to [Section 2.01\(a\)](#) or [Section 2.01\(b\)](#).

"RFR" means, for any RFR Loan denominated in [\(a\) Dollars, Daily Simple SOFR, and \(b\) Sterling, SONIA](#).

"RFR Administrator" means [the SOFR Administrator](#) or the SONIA Administrator.

"RFR Borrowing" means, as to any Borrowing, the RFR Loans comprising such Borrowing.

"RFR Business Day" means, for any Loan denominated in [\(a\) Sterling, any day except for \(i\) a Saturday, \(ii\) a Sunday or \(iii\) a day on which banks are closed for general business in London, and \(b\) Dollars, a U.S. Government Securities Business Day](#).

"RFR Interest Day" has the meaning specified in the definition of "Daily Simple RFR".

"RFR Loan" means a Loan that bears interest at a rate based on the [Adjusted Daily Simple RFR](#).

"S&P" means S&P Global Ratings, an S&P Global Inc. business, and any successor thereto that is a nationally recognized rating agency.

"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 (at the time of this Agreement, [Crimea](#) the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, the Crimea, the 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, by the United Nations Security Council, the European Union, any European Union member state, [Her](#) His Majesty's Treasury of the United Kingdom or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clause (a) or (b) or (d) any Person otherwise the subject of any Sanctions.

"Sanctions" means all economic or financial sanctions, trade embargoes or anti-terrorism laws imposed, administered or enforced from time to time by the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or the United Nations Security Council, the European Union, any European Union member state or [Her](#) His Majesty's Treasury of the United Kingdom or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission of the U.S.

"Second Amendment Effective Date" means July 30, 2021.

"Secured Obligations" means the U.S. Secured Obligations and the UK Secured Obligations.

"Secured Parties" means (a) the Administrative Agent, (b) the Lenders, (c) each Issuing Bank, (d) each provider of Banking Services, to the extent the 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 Loan Party under any Loan Document, and (g) the successors and assigns of each of the foregoing that are Lenders or Affiliates of a Lender, provided, that, for purposes of clauses (d) and (e) above, only to the extent the Banking Services Obligations 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 U.S. Security Agreement.

"Security Agreement" means, individually and collectively as the context may require, (a) the U.S. Security Agreement and (b) the UK Collateral Documents.

"Settlement" has the meaning assigned to such term in [Section 2.05\(e\)](#).

"Settlement Date" has the meaning assigned to such term in [Section 2.05\(g\)](#).

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate [for such Business Day published as administered](#) by the SOFR Administrator [on the SOFR Administrator's Website on the immediately succeeding Business Day](#).

"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 Determination Date" has the meaning specified in the definition of "Daily Simple SOFR".

"SOFR Rate Day" has the meaning specified in the definition of "Daily Simple SOFR".

"SONIA" means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator's Website on the immediately succeeding Business Day [\(provided, that for any Overnight Swingline Rate Loan denominated in Sterling, SONIA shall be based on the published rate for SONIA as of the Business Day such Overnight Swingline Rate Loan is advanced\)](#).

"SONIA Administrator" means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

"SONIA Administrator's Website" means the Bank of England's website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

"Specified Defaults" means Events of Default arising under Sections 7.01(a), (b), (d) (with respect to Article VI), (g) (with respect to Sections 5.01 and 5.10), (f), (g), (h), (i), (j), and (m).

"Specified Term Indebtedness" has the meaning assigned to such term in Section 6.01(k).

"Standby LC Exposure" means, at any time, the sum of (a) the aggregate undrawn U.S. Dollar Amount of all standby Letters of Credit outstanding at such time *plus* (b) the aggregate U.S. Dollar 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.

"Statements" has the meaning assigned to such term in Section 2.18(g).

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) or any other reserve ratio or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans. Such reserve percentages shall include those imposed pursuant to such Regulation D of the Board. Term Benchmark Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D of the Board or any comparable regulation. The

Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Sterling" or **"£"** means the lawful currency of the United Kingdom.

"Subordinated Indebtedness" of a Person means any Indebtedness of such Person the payment of which is subordinated to payment of the Secured Obligations to the written satisfaction of the Administrative Agent.

"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 fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (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 Company or any other Borrower, as applicable.

"Supported QFC" has the meaning assigned to it in Section 9.21.

"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 the Borrowers or the Subsidiaries shall be a Swap Agreement.

"Swap Obligations" means any and all obligations of the Loan Parties, 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 permitted hereunder with a Lender or an Affiliate of a Lender, or a Person who was a Lender or an Affiliate of a Lender at the time of entering into any such Swap Agreement as the swap provider (but excluding any transaction or confirmation under any Swap Agreement entered into (i) after such swap provider ceases to be a Lender or an Affiliate of a Lender or (ii) after assignment by such swap provider to another swap provider that is not a Lender or an Affiliate of a Lender), and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any such Swap Agreement transaction.

"Swiftwater Earnout" means one or more earnout payments in an aggregate amount not to exceed \$15,000,000 that may be payable by the Company pursuant to that certain Equity Interest Purchase Agreement dated February 13, 2018 between the Company and the sellers identified therein relating to the acquisition of Swiftwater Energy Services, LLC.

"Swingline Exposure" means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage of the total Swingline Exposure at such time.

"Swingline Lender" means, individually and collectively as the context may require, the U.S. Swingline Lender and the UK Swingline Lender.

"Swingline Loan" means, individually and collectively as the context may require, each U.S. Swingline Loan and UK Swingline Loan.

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), value added taxes, or any other goods and services, use or sales taxes, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties with respect thereto.

"Term Benchmark" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the Adjusted ~~LIBOR~~ Term SOFR Rate.

"Term Loan Agent" means Wilmington Trust, National Association, in its capacity as "Administrative Agent" under the Term Loan Agreement, together with its successors and permitted assigns.

"Term Loan Agreement" means that certain Credit Agreement dated as of the Effective Date among the Term Loan Agent, the Company, certain Subsidiaries of the Company from time to time party thereto as "Loan Parties", and the financial institutions from time to time party thereto as "Lenders", as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with Section 6.11(b) and the Intercreditor Agreement.

"Term Loan Documents" means the "Loan Documents" as defined in the Term Loan Agreement or the agreements and other documents governing other Indebtedness incurred under Section 6.01(k).

"Term Loan Priority Collateral" has the meaning assigned to such term in the Intercreditor Agreement.

"Term SOFR" means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR Reference Rate".

"Term SOFR Rate" means, with respect to any Term Benchmark Borrowing denominated in Dollars 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 Notice Reference Rate" means a notification by the Administrative Agent to the Lenders, for any day, and time (such day, the Borrower Representative of the occurrence of a Term SOFR Transition Event.

"Term SOFR Transition Event" means the determination 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 that (a) Term SOFR has been recommended for use by the Relevant Governmental Body as the forward-looking term rate based on SOFR, If by 5:00 pm (New York City time) on such Term SOFR Determination Day, (b) the administration of "Term SOFR is administratively feasible for the Administrative Agent and (c) a Benchmark Transition Event or an Early Opt In Election, as applicable (and, for the avoidance of doubt, not in the case of an Other Benchmark Rate Election), has previously occurred resulting in Reference Rate for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement in accordance with Section 2.14 that is not 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.

"Transactions" means the execution, delivery and performance by the Borrowers 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.

"Treaty" has the meaning set forth in the definition of "Treaty State".

"Treaty State" means a jurisdiction having a double taxation agreement with the UK (a Treaty) which makes provision for full exemption from tax imposed by the UK on interest.

"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 ~~LIBOR~~ Term SOFR Rate, the Alternate Base Rate, the Overnight Swingline Rate or the Adjusted Daily Simple RFR.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of Texas or in any other state the laws of which are required to be applied in connection with the perfection of security interests in personal property collateral.

"UK" means the United Kingdom of Great Britain and Northern Ireland.

"UK ABL Collateral" means the UK Borrowers' Accounts, Inventory, and Collection Accounts.

"UK Borrowers" means, each of, and collectively, Tetra Technologies U.K. Limited (registered in England with company number 01774672), any other Subsidiary of the Company incorporated under the laws of England and Wales approved by the Administrative Agent that joins this Agreement as a "UK Borrower" in accordance with the terms hereof, and their successors and permitted assigns, and **"UK Borrower"** means any of them or all of them individually, as the context may require.

"UK Borrowing Base" means, at any time, the sum of:

- (a) 85% of the UK Borrowers' Eligible Accounts at such time; *plus*
- (b) 85% of the net orderly liquidation value percentage identified in the most recent inventory appraisal ordered by the Administrative Agent of the UK Borrowers' Eligible Inventory at such time, valued at the lower of cost or market value, determined on a first-in-first-out basis; *minus*
- (c) Reserves, if any, provided that any UK Priority Payables Reserve shall only apply to reduce amounts in clause (b) of this definition.

The Administrative Agent may, in its Permitted Discretion, (i) reduce the advance rates set forth above, (ii) reduce one or more of the sublimits used in computing the UK Borrowing Base, (iii) establish additional standards of eligibility or (iv) establish or adjust Reserves. The UK 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. No UK Borrowing Base calculation shall include the Accounts or Inventory of a Person who becomes a UK Borrower after the Second Amendment Effective Date until completion of applicable field examinations and appraisals with respect to such Person and its Accounts and Inventory satisfactory to the Administrative Agent (which field examinations and appraisals shall not be included in the limits provided in Section 5.06(b)).

"UK Collateral Documents" means, individually and collectively, as the context may require, (a) the UK Debenture and (b) any other security agreements or collateral documents governed by English law executed and delivered by any Loan Party in connection with this Agreement.

"UK CTA" means the United Kingdom Corporation Tax Act 2009.

"UK Debenture" means the English law debenture dated as of the Second Amendment Effective Date by and among the UK Borrowers and the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties.

"UK Financial Institution" 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 Guaranteed Obligations" has the meaning assigned to such term in Section 10.01.

"UK Insolvency Event" means:

- (a) any corporate action, legal proceeding or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any Indebtedness, winding-up, liquidation, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of any UK Borrower;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any UK Borrower by reason of actual or anticipated financial difficulties of such UK Borrower; or
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any UK Borrower or any of its material assets;
- (b) any UK Borrower is unable or admits inability to pay its debts as they fall due (or is deemed to or declared to be unable to pay its debts under applicable law), suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness; or
- (c) a moratorium is declared in respect of any Indebtedness of any UK Borrower; provided that if a moratorium occurs, the ending of such moratorium shall not remedy any Event of Default caused thereby.

"UK ITA" means the United Kingdom Income Tax Act 2007.

"UK Letter of Credit" means any Letter of Credit issued pursuant to this Agreement upon the application of a UK Borrower (or the Borrower Representative, on behalf of a UK Borrower).

"UK Loan" means a Loan made by a Lender to a UK Borrower.

"UK Non-Bank Lender" means a Lender which is not party to this Agreement on the Second Amendment Effective Date and which gives a UK Tax Confirmation in the documentation which it executes on becoming a party to this Agreement as a Lender.

"UK Obligations" means all unpaid principal of and accrued and unpaid interest on the UK Loans to the UK Borrowers, respectively, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations, liabilities and indebtedness (including interest, costs and fees accruing during the pendency of any proceeding under any Insolvency Laws, regardless of whether allowed or allowable in such proceeding), in each case, of the UK Loan Borrowers to the Lenders or to any Lender, the Administrative

Agent, any Issuing Bank in respect of Letters of Credit issued for the account of a UK Borrower or any indemnified party individually or collectively, existing on the Second Amendment Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under this Agreement or any of the other Loan Documents or in respect of any of the UK Loans made or reimbursement or other obligations incurred in respect thereof or any Letter of Credit issued for the account of a UK Borrower or other instruments at any time evidencing any thereof. For the avoidance of doubt, the UK Obligations do not include the U.S. Obligations.

"UK Overnight Rate" means, for any day in respect of the UK Borrowers, with respect to any amount denominated in Dollars or any Alternative Currency, an overnight rate determined by the Administrative Agent or the Issuing Banks, as the case may be, in accordance with banking industry rules on interbank compensation.

"UK Priority Payables Reserve" means, as of any date of determination, a reserve in such amount as the Administrative Agent may determine in its Permitted Discretion to reflect the full amount of any liabilities or amounts which (by virtue of any Liens or any statutory provision) rank or are capable of ranking in priority to the Administrative Agent's Liens on the Collateral and/or for amounts which may represent costs relating to the enforcement of the Administrative Agent's Liens on the Collateral, including, without limitation, but only to the extent prescribed pursuant to English law and statute then in force, (i) amounts due to employees in respect of unpaid wages and holiday pay, (ii) the amount of all scheduled but unpaid pension contributions, (iii) the "prescribed part" of floating charge realisations held for unsecured creditors, (iv) amounts due to HM Revenue and Customs in respect of valued added tax (VAT), pay as you earn (PAYE) (including student loan repayments), employee national insurance contributions and construction industry scheme deductions, and (v) the expenses and liabilities incurred by any administrator (or other insolvency officer) and any remuneration of such administrator (or other insolvency officer).

"UK Qualifying Lender" means (a) a Lender that is beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document and is (i) a Lender (1) that is a bank (as defined for the purpose of section 879 UK ITA) making an advance under a Loan Document and is within the charge to UK corporation tax as

respects any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from section 18A of the UK CTA or (2) in respect of an advance made under a Loan Document by a person that was a bank (as defined for the purpose of section 879 UK ITA) at the time the advance was made and within the charge to UK corporation tax as regards any payment of interest made in respect of that advance; or (ii) a Lender which is (1) a company resident in the UK for UK tax purposes, (2) a partnership each member of which is (A) a company so resident in the UK or (B) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA; or (3) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the UK CTA) of that company; or (iii) a UK Treaty Lender or (b) a Lender which is a building society (as defined for the purposes of Section 880 of the UK ITA) making an advance under a Loan Document.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"UK Revolving Commitment" means, with respect to each Lender, such Lender's Applicable Percentage of \$15,000,000. For the avoidance of doubt, the UK Revolving Commitments are a sub-facility under the Commitments and not a separate facility.

"UK Secured Obligations" means all UK Obligations, together with all (a) Banking Services Obligations of the UK Borrowers owing to one or more Qualified Counterparties and (b) Swap Obligations of the UK Borrowers owing to one or more Qualified Counterparties; provided, however, that the definition of "UK Secured Obligations" shall not create any guarantee by any Loan Party of (or grant of security interest by any Loan Party to support, as applicable) any Excluded Swap Obligations of such Loan Party for purposes of determining any obligations of any Loan Party.

"UK Swingline Lender" means JPMCB, in its capacity as lender of UK Swingline Loans hereunder. Any consent required of the Administrative Agent or the Issuing Bank shall be deemed to be required of the UK Swingline Lender and any consent given by JPMCB in its capacity as Administrative Agent or Issuing Bank shall be deemed given by JPMCB in its capacity as UK Swingline Lender.

"UK Swingline Loan" has the meaning assigned to such term in Section 2.05(b).

"UK Tax Confirmation" means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Loan Document is either (a) a company resident in the UK for UK tax purposes, (b) a partnership, each member of which is (i) a company so resident in the UK; or (ii) a company not so resident in the UK which carries on a trade in the UK through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the UK CTA) the whole or any share of the interest payable in respect of that advance that falls to it by reason of Part 17 of the UK CTA; or (c) a company not so resident in the UK that carries on a trade in the UK through a permanent establishment and which brings into account interest payable in respect of such advance in computing the chargeable profits (within the meaning of section 19 of the UK CTA) of such company.

"UK Tax Deduction" means a deduction or withholding from a payment under any Loan Document for and on account of any Taxes imposed by the UK other than a FATCA Deduction.

"UK Treaty Lender" means a Lender which:

- (a) is treated as a resident of a Treaty State for the purposes of the relevant treaty;
- (b) does not carry on a business in the UK through a permanent establishment with which that Lender's participation in any advance is effectively connected; and
- (c) meets all other conditions of the relevant Treaty for full exemption from UK taxation on interest payable to that Lender under the Loan Documents. In this subclause (c), "conditions" shall mean conditions relating to an entity's eligibility for full exemption under the relevant Treaty and shall not be treated as including any procedural formalities

that need to be satisfied in relation to that Treaty.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unfinanced Capital Expenditures" means, for any period, Capital Expenditures made during such period which are not financed from the proceeds of any Indebtedness (other than the Revolving Loans; it being understood and agreed that, to the extent any Capital Expenditures are financed with Revolving Loans, such Capital Expenditures shall be deemed Unfinanced Capital Expenditures).

"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: (i) an obligation to reimburse a bank for drawings not yet made under a letter of credit issued by it; (ii) any other obligation (including any guarantee) that is contingent in nature at such time; or (iii) an obligation to provide collateral to secure any of the foregoing types of obligations.

"Unrestricted Subsidiary" means each of the entities comprising Compressco, CSI Compressco GP, CSI Compressco Investment LLC and each subsidiary of each such Person and any other Subsidiary which the Borrower Representative has designated in writing to the Administrative Agent to be an Unrestricted Subsidiary pursuant to Section 5.15(b) and each subsidiary thereof.

"U.S." means the United States of America.

"U.S. Borrowers" means, collectively, the Company and any Domestic Subsidiary that on the date hereof is, or hereafter becomes, a party to this Agreement as a Borrower and their successors and permitted assigns, and **"U.S. Borrower"** means any of the foregoing.

"U.S. Borrowing Base" means, at any time, the sum of:

- (a) 90% of the U.S. Borrowers' Eligible Investment Grade Accounts at such time; plus
- (b) 85% of the U.S. Borrowers' Eligible Accounts (other than Eligible Investment Grade Accounts) at such time; plus
- (c) 80% of the U.S. Borrowers' Eligible Unbilled Accounts at such time; plus
- (d) 85% of the net orderly liquidation value percentage identified in the most recent inventory appraisal ordered by the Administrative Agent of the U.S. Borrowers' Eligible Inventory at such time, valued at the lower of cost or market value, determined on a first-in-first-out basis; minus
- (e) Reserves, if any.

The Administrative Agent may, in its Permitted Discretion, (i) reduce the advance rates set forth above, (ii) reduce one or more of the sublimits used in computing the U.S. Borrowing Base, (iii) establish additional standards of eligibility or (iv) establish or adjust Reserves. The U.S. 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. No U.S. Borrowing Base calculation shall include the Accounts or Inventory of a Person who becomes a U.S. Borrower after the Second Amendment Effective Date until completion of applicable field examinations and appraisals with respect to such Person and its Accounts and Inventory satisfactory to the Administrative Agent (which field examinations and appraisals shall not be included in the limits provided in Section 5.06(b)).

"U.S. Dollar Amount" of any currency at any date shall mean (a) the amount of such currency if such currency is ~~U.S. Dollars~~ Dollars or (b) the equivalent amount of such currency in ~~U.S. Dollars~~ Dollars, calculated on the basis of the arithmetical mean of the buy and sell spot rates of exchange of the Administrative Agent for such other currency on the London market at 11:00 a.m., London time (or, in the case of Canadian Dollars, 10:00 a.m., Toronto, Ontario time), on the date on or as of which such amount is to be determined.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) 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. Lender Parties" means, individually and collectively as the context may require, the Administrative Agent, the Lenders, the Issuing Banks and the Qualified Counterparties party to any Banking Services Agreement or Swap Agreement with any U.S. Loan Party.

"U.S. Loan Guarantors" means, collectively, the U.S. Loan Parties.

"U.S. Loan Parties" means, collectively, (a) the U.S. Borrowers, (b) the U.S. Borrowers' Material Domestic Subsidiaries (other than Unrestricted Subsidiaries and Compressco), (c) any Restricted Subsidiary who is a Domestic Subsidiary and a party to this Agreement on the Effective Date and (d) any other Restricted Subsidiary who is a Domestic Subsidiary and becomes a party to this Agreement pursuant to a Joinder Agreement, including pursuant to Section 5.14, and their respective successors and assigns, and the term **"U.S. Loan Party"** shall mean any one of them or all of them individually, as the context may require.

"U.S. Obligations" means, with respect to the U.S. Loan Parties, all unpaid principal of and accrued and unpaid interest on the Loans to the U.S. Borrowers, all LC Exposure in respect of Letters of Credit issued for the account of the U.S. Borrowers, 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, administration or other similar proceeding, regardless of whether allowed or allowable in such proceeding), in each case, of any of the U.S. Loan Parties to any of the Lenders, the Administrative Agent, any Issuing Bank or any indemnified party, individually or collectively, existing on the Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under this Agreement or any of the other Loan Documents or in respect

of any of the Loans made to the U.S. Borrowers or reimbursement or other obligations incurred in connection therewith or any of the Letters of Credit issued for the account of the U.S. Borrowers or other instruments at any time evidencing any thereof.

"U.S. Overnight Rate" means, for any day in respect of the U.S. Loan Parties, with respect to any amount denominated in Dollars, the NYFRB Rate.

"U.S. Person" means a "United States person" within the meaning of Section 7701(a)(30) of the Code.

"U.S. Secured Obligations" means all U.S. Obligations, together with all Banking Services Obligations of the U.S. Loan Parties or, except to the extent constituting UK Secured Obligations, any Subsidiary of the Company, and Swap Obligations of the U.S. Loan Parties or, except to the extent constituting UK Secured Obligations, any Subsidiary of the Company, owing to one or more Qualified Counterparties; provided, however, that the definition of "U.S. Secured Obligations" shall not create any guarantee by any Loan Party of (or grant of security interest by any Loan Party to support, as applicable) any Excluded Swap Obligations of such Loan Party for purposes of determining any obligations of any Loan Party.

"U.S. Security Agreement" means that certain Pledge and Security Agreement, dated as of September 10, 2018, among the Company, the Subsidiaries of the Company and the other Persons from time to time party thereto, and the Administrative Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"U.S. Special Resolution Regime" has the meaning assigned to it in Section 9.21.

"U.S. Swingline Lender" means JPMCB, in its capacity as lender of U.S. Swingline Loans hereunder. Any consent required of the Administrative Agent or the Issuing Bank shall be deemed to be required of the U.S. Swingline Lender and any consent given by JPMCB in its capacity as Administrative Agent or Issuing Bank shall be deemed given by JPMCB in its capacity as U.S. Swingline Lender.

"U.S. Swingline Loan" has the meaning assigned to such term in Section 2.05(a).

"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.

"VAT" means (a) any value added tax imposed by the Value Added Tax Act 1994 and supplemental legislation and regulations, (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and (c) any other tax of a similar nature, whether imposed in the UK or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or (b) above, or imposed elsewhere.

"Weekly Reporting Period" means any period commencing on the first date on which Availability is less than the greater of (a) \$12,500,000 and (b) 15.0% of the lesser of (i) the Borrowing Base then in effect and (ii) the

Commitments, and continuing until the date upon which both (x) Availability has been equal to or greater than the greater of (a) \$12,500,000 and (b) 15.0% of the lesser of (i) the Borrowing Base then in effect and (ii) the Commitments, at all times during the preceding thirty (30) consecutive day period and (y) no Event of Default has occurred and is continuing.

"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 Borrower 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 2.2 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 2.3 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 ii) 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), iii) 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), iv) 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, v) 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, vi) 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, vii) 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 viii) 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 2.4 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 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 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 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 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 (1) 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 Company or any of its Subsidiaries at "fair value", as defined therein and (2) 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 herein to the contrary, for the purposes of calculating the Fixed Charge Coverage Ratio and the components thereof, all Unrestricted Subsidiaries and their subsidiaries (including their assets, liabilities, income, losses, cash flows, and the elements thereof) shall be excluded, except for any cash dividends or distributions actually paid by any Unrestricted Subsidiary or any of its subsidiaries to a Borrower or a Restricted Subsidiary, which shall be deemed to be income to such Borrower or such Restricted Subsidiary when actually received by it.

Section 2.5 Pro Forma Adjustments for Acquisitions and Dispositions

. To the extent any Borrower or any Restricted 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](#) during the period of four fiscal quarters of the Borrowers most recently ended, the Fixed Charge Coverage Ratio shall be calculated after giving pro forma effect thereto (including pro forma adjustments arising out of events which are directly 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), as if such Acquisition or such Disposition (and any related incurrence, repayment or assumption of Indebtedness) had occurred in the first day of such four-quarter period.

Section 2.6 Status of Obligations

. In the event that any Borrower or any other Loan Party shall at any time issue or have outstanding any Subordinated Indebtedness, such Borrower shall take or cause such other Loan Party to take all such actions as shall be necessary to cause the Secured Obligations to constitute senior indebtedness (however denominated) in respect of such Subordinated Indebtedness and to enable the Administrative Agent and the Lenders to have and exercise any payment blockage or other remedies available or potentially available to holders of senior indebtedness under the terms of such Subordinated Indebtedness. Without limiting the foregoing, the Secured Obligations are hereby designated as "senior indebtedness" and as "designated senior indebtedness" and words of similar import under and in respect of any indenture or other agreement or instrument under which such Subordinated Indebtedness is outstanding and are further given all such other designations as shall be required under the terms of any such Subordinated Indebtedness in order that the Lenders may have and exercise any payment blockage or other remedies available or potentially available to holders of senior indebtedness under the terms of such Subordinated Indebtedness.

Section 2.7 Exchange Rates; Currency Equivalents

(a) The Administrative Agent or the Issuing Bank, as applicable, shall determine the U.S. Dollar Amount of Term Benchmark Borrowings, [RFR Borrowings](#), [Overnight Swingline Rate Loans](#) or Letter of Credit extensions denominated in Alternative Currencies. Such U.S. Dollar Amount shall become effective as of the applicable such Revaluation Date and shall be the U.S. Dollar Amount of such amounts until the next Revaluation Date to occur. Except for purposes of financial statements delivered by the Borrowers hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any Agreed Currency (other than Dollars) for purposes of the Loan Documents shall be such U.S. Dollar Amount as so determined by the Administrative Agent or the Issuing Bank, as applicable.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Term Benchmark Loan, [an RFR Loan](#) or an [RFR Overnight Swingline Rate Loan](#) or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Borrowing, Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the U.S. Dollar Amount of such amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or the Issuing Bank, as the case may be.

(c) Without limiting the other terms of this Agreement, the calculations and determinations under this Agreement of any amount in any currency other than Dollars shall be deemed to refer to the U.S. Dollar Amount thereof, as the case may be, and all certificates delivered under this Agreement shall express such calculations or determinations in Dollars or the U.S. Dollar Amount thereof, as the case may be.

Section 2.8 Interest Rates: LIBOR Benchmark Notification

. The interest rate on a Loan denominated in dollars or an Alternative Currency 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. Regulators have signaled the need to use alternative benchmark reference rates for some of these interest rate benchmarks and, as a result, such interest rate benchmarks may cease to comply with applicable laws and regulations, may be permanently discontinued, and/or the basis on which they are calculated may change. The London interbank offered rate ("LIBOR") is intended to represent the rate at which contributing banks may obtain short term borrowings from each other in the London interbank market. On March 5, 2021, the U.K. Financial Conduct Authority ("FCA") publicly announced that: (a) immediately after December 31, 2021, publication of all seven euro LIBOR settings, all seven Swiss Franc LIBOR settings, the spot next, 1 week, 2 month and 12 month Japanese Yen LIBOR settings, the overnight, 1 week, 2 month and 12 month British Pound Sterling LIBOR settings, and the 1 week and 2 month U.S. Dollar LIBOR settings will permanently cease; immediately after June 30, 2023, publication of the overnight and 12 month U.S. Dollar LIBOR settings will permanently cease; immediately after December 31, 2021, the 1 month, 3 month and 6 month Japanese Yen LIBOR settings and the 1 month, 3 month and 6 month British Pound Sterling LIBOR settings will cease to be provided or, subject to consultation by the FCA, be provided on a changed methodology (or "synthetic") basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored; and immediately after June 30, 2023, the 1 month, 3 month and 6 month U.S. Dollar LIBOR settings will cease to be provided or, subject to the FCA's consideration of the case, be provided on a synthetic basis and no longer be representative of the underlying market and economic reality they are intended to measure and that representativeness will not be restored. There is no assurance that dates announced by the FCA will not change or that the administrator of LIBOR and/or regulators will not take further action that could impact the availability, composition, or characteristics of LIBOR or the currencies and/or tenors for which LIBOR is published. Each party to this agreement should consult its own advisors to stay informed of any such developments. Public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of LIBOR. Upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event, an Early Opt in Election or an Other Benchmark Rate Election, Section 2.14(b) and (c) provide provides a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrower Representative, pursuant to Section 2.14(e), of any change to the reference rate upon which the interest rate on Term Benchmark Loans is based. However, 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 the Daily Simple RFR, LIBOR or other rates in the definition of "LIBO Rate" any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.14(b) or (c), whether upon the occurrence of a Benchmark Transition Event, a Term SOFR Transition Event, an Early Opt in Election or an Other Benchmark Rate Election, and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.14(d)), 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 Daily Simple RFR or the LIBO Rate existing interest rate being replaced or have the same volume or liquidity as did the London interbank offered 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 Daily Simple RFR interest rate used in this Agreement or any alternative, successor or alternative 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 RFR, Daily Simple RFR or the Term Benchmark Rate 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 2.9 Letter of Credit Amounts

. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the U.S. Dollar Amount of the stated amount of such Letter of Credit available to be drawn at such time; provided that with respect to any Letter of Credit that, by its terms or the terms of any Letter of Credit agreement related thereto, provides for one or more automatic increases in the available amount thereof, the amount of such Letter of Credit

shall be deemed to be the U.S. Dollar Amount of the maximum amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum amount is available to be drawn at such time.

Section 1.10 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:

(a) each Lender severally (and not jointly) agrees to make Revolving Loans under this Section 2.01(a) in Dollars to the U.S. Borrowers from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Revolving Exposure exceeding such Lender's Commitment, (ii) the Aggregate Revolving Exposure in respect of Loans made to the U.S. Borrowers and Letters of Credit issued for the account of the U.S. Loan Parties exceeding the U.S. Borrowing Base, or (iii) the Aggregate Revolving Exposure exceeding the aggregate Commitments of the Lenders, 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;

(b) each Lender severally (and not jointly) agrees to make UK Loans under this Section 2.01(b) in Dollars or in one or more Alternative Currencies to the UK Borrowers from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Revolving Exposure exceeding such Lender's Commitment, (ii) such Lender's Revolving Exposure in respect of Borrowings made by the UK Borrowers and Letters of Credit issued for the account of the UK Borrowers exceeding such Lender's UK Revolving Commitment, (iii) the Aggregate Revolving Exposure in respect of Loans made to the UK Borrowers and Letters of Credit issued for the account of the UK Borrowers exceeding the lesser of (A) the aggregate UK Revolving Commitments and (B) the UK Borrowing Base or (iv) the Aggregate Revolving Exposure exceeding the aggregate Commitments of the Lenders, 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; and

(c) within the foregoing limits and subject to the terms and conditions set forth in this Section 2.01, the Borrowers may borrow, prepay and reborrow Revolving Loans.

Section 2.02 Loans and Borrowings

.ix) 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.

(a) Subject to Section 2.14, each Borrowing shall be comprised (i) in the case of Borrowings in Dollars, entirely of ABR Loans or Term Benchmark Loans, (ii) in the case of Borrowings in Sterling, entirely of RFR Loans and (iii) in the case of Borrowings in any other Agreed Currency, entirely of Term Benchmark Loans or RFR Loans, as applicable, in each case of the same Agreed Currency, as the Borrower Representative may request in accordance herewith, provided that, unless the Lenders otherwise agree, all Borrowings made on the Effective Date must be made as ABR Borrowings but may be converted into Term Benchmark Borrowings in accordance with Section 2.08. Each U.S. Swingline Loan shall be an ABR Loan and each UK Swingline Loan shall be a Term Benchmark Loan or RFR Loan, as applicable. Each Lender at its option may make any Term Benchmark Loan or RFR 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 Section 2.14, Section 2.15, Section 2.16 and Section 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.

(b) 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 the U.S. Dollar Amount of \$500,000 and not less than the U.S. Dollar Amount of \$500,000. At the time that each RFR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of the U.S. Dollar Amount of \$500,000 and not less than the U.S. Dollar Amount of \$500,000. ABR 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 outstanding.

(c) 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 fax) in a form approved by the Administrative Agent and signed by 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 x) in the case of a Term Benchmark Borrowing, 10:00 a.m., Chicago time, with respect to any U.S. Borrower, or 10:00 a.m., London time, with respect to any UK Borrower, in each case, three (3) Business Days before the date of the proposed Borrowing. xi) in the case of an RFR Borrowing, 11:00 a.m., London time, four (4) Business Days before the date of the proposed Borrowing or xii) in the case of an ABR Borrowing, noon, Chicago time, on the date of the proposed Borrowing; provided that any such notice of an ABR Borrowing or Overnight Swingline Rate Loan, as applicable, 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, fax 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 the Borrower Representative. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the name of the applicable Borrower(s);
- (ii) the Agreed Currency, 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 an ABR Borrowing, a Term Benchmark Borrowing or 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 currency of a Borrowing is specified, then the requested Borrowing shall be made in Dollars, unless the requested Borrowing is an RFR Borrowing, in which case the requested Borrowing shall be made in Sterling. If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing made in Dollars, unless the requested Borrowing is a UK Loan, in which case the requested Borrowing shall be a Term Benchmark Borrowing made in Dollars. If no Interest Period is specified with respect to any requested Term Benchmark Borrowing, then the applicable Borrower(s) 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 2.03](#), 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 (1) to preserve or protect the Collateral, or any portion thereof, (2) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations, or (3) 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 of such Loans are herein referred to as "**Protective Advances**"); provided that, the aggregate amount of Protective Advances outstanding at any time shall not at any time exceed the greater of (A) \$10,000,000 and (B) 10% of the Commitments; provided further that, the Aggregate Revolving Exposure after giving effect to the Protective Advances being made shall not exceed the aggregate Commitments of the Lenders. Protective Advances may be made even if the conditions precedent set forth in [Section 4.02](#) have not been satisfied. The Protective Advances shall constitute Obligations hereunder and shall (except as expressly agreed otherwise in any Collateral Document) be secured by the Liens in favor of the Administrative Agent in and to the Collateral. All Protective Advances shall be ABR Borrowings in respect of Protective Advances made to any U.S. Borrower and shall be RFR Borrowings in respect of Protective Advances made to any UK Borrower. 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. 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\(b\)](#).

- (a) 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 and Overadvances

- (a) The Administrative Agent, the U.S. 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 an ABR Borrowing, the U.S. Swingline Lender may 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 relevant Funding Account (each such Loan made solely by the U.S. Swingline Lender pursuant to this [Section 2.05\(a\)](#) is referred to in this Agreement as a "**U.S. Swingline Loan**"), with settlement among them as to the U.S. Swingline Loans to take place on a periodic basis as set forth in [Section 2.05\(e\)](#). Each U.S. Swingline Loan shall be subject to all the terms and conditions applicable to other ABR Loans funded by the Lenders, except that all payments thereon shall be payable to the U.S. Swingline Lender solely for its own account. The aggregate principal amount of U.S. Swingline Loans outstanding at any time shall not exceed \$10,000,000. The U.S. Swingline Lender shall not make any U.S. Swingline Loan if the requested U.S. Swingline Loan exceeds aggregate Availability or the applicable Borrower's Availability (before or after giving effect to such U.S. Swingline Loan). All U.S. Swingline Loans shall be ABR Borrowings.

- (b) The Administrative Agent, the UK 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 UK Swingline Loan or Overnight Swingline Rate Loan not later than 12:00 noon London time on the date of the proposed Borrowing, the UK Swingline Lender may elect to have the terms of this [Section 2.05\(b\)](#) apply to such Borrowing Request by advancing, on behalf of the Lenders and in the amount requested in Sterling or Dollars, same day funds to the applicable UK Borrower, on the date of the applicable Borrowing to the relevant Funding Account (each such Loan made solely by the UK Swingline Lender pursuant to this [Section 2.05\(b\)](#) is referred to in this Agreement as a "**UK Swingline Loan**"), with settlement among them as to the UK Swingline Loans to take place on a periodic basis as set forth in [Section 2.05\(e\)](#). Each UK Swingline Loan shall be subject to all the terms and conditions applicable to other Term Benchmark Loans and, RFR Loans and/or Overnight Swingline Rate Loans, as applicable, funded by the Lenders, except that all payments thereon shall be payable to the UK Swingline Lender solely for its own account. The aggregate principal amount of UK Swingline Loans outstanding at any time shall not exceed \$1,500,000. The UK Swingline Lender shall not make any UK Swingline Loan if the requested UK Swingline Loan exceeds aggregate Availability or the applicable Borrower's Availability

(before or after giving effect to such UK Swingline Loan). All UK Swingline Loans shall be Term Benchmark Borrowings or RFR Borrowings, or shall be made at the Overnight Swingline Rate, as applicable.

(c) 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 the 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 Obligations hereunder and shall (except as expressly agreed otherwise in any Collateral Document) be secured by the Liens in favor of the Administrative Agent in and to the Collateral. All Overadvances shall be ABR Borrowings in respect of Overadvances made to any U.S. Borrower and shall be RFR Borrowings in respect of Overadvances made to any UK Borrower. The making of an Overadvance (or the deeming of a Revolving Loan as an Overadvance) on any one occasion shall not obligate the Administrative Agent to make any Overadvance (or deem any Revolving Loan to be an Overadvance) on any other occasion. No Overadvance may remain outstanding for more than thirty (30) days and no Overadvance shall cause any Lender's Revolving Exposure to exceed its Commitment. The authority of the Administrative Agent to make Overadvances is limited to an aggregate amount not to exceed at any time the greater of (A) \$10,000,000 and (B) 10% of the Commitments; 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.

(d) 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.

(e) 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 with respect to any U.S. Swingline Loan or 11:00 a.m., London time on the date that is three (3) Business Days prior to the date of such requested Settlement with respect to any UK Swingline Loan (each, a "**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, with respect to any U.S. Borrower, or 2:00 p.m., London time, with respect to any UK Borrower, in each case, 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 (which shall be ABR Loans, in the case of U.S. Swingline Loans, and Term Benchmark Loans in the relevant Agreed Currency with an Interest Period of one month or RFR Loans, in the case of UK Swingline Loans). 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 for its own account or for the account of another Loan Party denominated in Agreed Currencies as the applicant thereof for the support of its or its Subsidiaries' (other than

Compressco) 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; provided that any Letter of Credit denominated in an Alternative Currency shall be issued by JPMCB in its capacity as an Issuing Bank. 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 Borrowers to, or entered into by the Borrowers with, the applicable Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Each Borrower unconditionally and irrevocably agrees that, in connection with any Letter of Credit issued for the support of any of its Subsidiary's (other than Compressco) obligations as provided in the first sentence of this paragraph, such Borrower will be fully responsible for the reimbursement of LC Disbursements in accordance with the terms hereof, the payment of interest thereon and the payment of fees due under Section 2.12(b) to the same extent as if it were the sole account party in respect of such Letter of Credit (such Borrower hereby irrevocably waiving any defenses that might otherwise be available to it as a guarantor or surety of the obligations of such Subsidiary that is an account party in respect of any such Letter of Credit). 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) if such Issuing Bank has knowledge that 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 U.S. 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. The Existing Letters of Credit shall be deemed to be Letters of Credit issued on the Effective Date for all purposes of the Loan Documents.

(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 fax (or transmit through Electronic System, if arrangements for doing so have been approved by the applicable Issuing Bank) to the applicable 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, it being agreed and understood that the form of any requested UK Letter of Credit must be in agreed form as of 11:00 a.m., London time, at least three (3) Business Days prior to the issuance thereof (or such later date and time as is reasonably acceptable to the Issuing Bank)) 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 2.06), the amount of such Letter of Credit, the Agreed Currency applicable thereto, 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 applicable Borrower also shall submit a letter of credit application 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 U.S. Dollar Amount of the aggregate LC Exposure shall not exceed \$20,000,000, (ii) the U.S. Dollar Amount of the aggregate LC Exposure of all Foreign Letters of Credit issued in Sterling shall not exceed \$2,000,000, (iii) no Lender's Revolving Exposure shall exceed its Commitment and (iv) the Aggregate Revolving Exposure shall not exceed the lesser of (x) the aggregate Commitments of the Lenders and (y) the Borrowing Base. 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 the Credit 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 at or prior to the close of business on the earlier of (4) the date two years 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) and (5) the date that is ten (10) Business Days prior to the Maturity Date; provided that, a Letter of Credit may extend beyond the Maturity Date so long as the Borrowers cash collateralize any such Letter of Credit on or before the date that is ten (10) Business Days prior to the Maturity Date in an amount equal to 103% of the amount of the LC Exposure attributable to such Letter of Credit in a manner satisfactory to the Administrative Agent and the applicable Issuing Bank.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount 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 Section 2.06(e), or of any reimbursement payment required to be refunded to the Borrowers for any reason. 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 in ~~Dollars~~ Dollars the U.S. Dollar Amount equal to such LC Disbursement (or if such Issuing Bank shall so elect in its sole discretion by notice to the Borrower Representative, in such other Agreed Currency which was paid by such Issuing Bank pursuant to such LC Disbursement in an amount equal to such LC Disbursement) (i) not later than 11:00 a.m., Chicago time, or 11:00 a.m., London time, with respect to any UK Letter of Credit, in each case, 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, or 11:00 a.m., London time, with respect to a UK Letter of Credit, in each case, 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, or 11:00 a.m., London time, with respect to any UK Letter of Credit, in each case, on (A) the Business Day that the Borrower Representative receives such notice, if such notice is received prior to 9:00 a.m., Chicago time, or 11:00 a.m., London time, with respect to any UK Letter of Credit, in each case, on the day of receipt, or (B) 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 (x) if such LC Disbursement is denominated in Dollars, the Borrowers 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 an ABR Borrowing or Swingline Loan in an equivalent amount in the case of a U.S. Borrower or with a Swingline Loan in an equivalent amount in the case of a UK Borrower or (y) if such LC Disbursement is denominated in an Alternative Currency, the Borrowers 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 converted into an equivalent amount of an ABR Borrowing or an Overnight Swingline Rate Loan denominated in Dollars in an amount equal to the U.S. Dollar Amount of such Alternative Currency, and, to the extent so financed, the Borrowers' obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing or, Swingline Loan or Overnight Swingline Rate Loan, as applicable. 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 ABR Loans,

Swingline Loans or Overnight Swingline Rate Loans, 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 2.06 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 (6) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein or herein, (7) 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, (8) 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, (9) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.06, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrowers' obligations hereunder or (10) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to the Borrowers or any Subsidiary or in the relevant currency markets generally. 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, 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, within the time allowed by applicable law or the specific terms of the Letter of Credit 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 applicable Borrower by telephone (confirmed by fax or through Electronic System) 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 ABR Loans or Overnight Swingline Rate Loans, as applicable, and such interest shall be due and payable on the date when such reimbursement is payable; provided that, if the Borrowers fail to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section 2.06, then Section 2.13(f) 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 Section 2.06(e) to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Addition or Replacement 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. Any Issuing Bank may 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 or replacement 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 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 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.

(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, within three (3) Business Days after 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 103% of the U.S. Dollar Amount 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 Borrower described in clause (h) or (i) of Article VII. For the purposes of this paragraph, the amount of LC Exposure attributable to Foreign Letters of Credit shall be calculated using the applicable U.S. Dollar Amount on each Revaluation Date; **provided** that if after any such Revaluation Date the amount of cash collateral on deposit in the LC Collateral Account is less than 103% of the U.S. Dollar Amount of the LC Exposure as of such Revaluation Date plus accrued and unpaid interest thereon, within one (1) Business Day of receipt of notice thereof from the Administrative Agent, the Borrowers shall deposit additional cash collateral into the LC Collateral Account to eliminate such deficiency. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Secured Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over the LC Collateral Account and the Borrowers hereby grant 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 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 Borrowers 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 2.06, report in writing to the Administrative Agent (11) 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 cancelations and all disbursements and reimbursements, (12) 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), (13) on each Business Day on which such Issuing Bank makes any LC Disbursement, the date and amount of such LC Disbursement, (14) 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 (15) 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.

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 solely by wire transfer of immediately available funds by 12:00 noon, London time, with respect to any Loan on behalf of a UK Borrower or 1:00 p.m., Chicago time in any other case, 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 Borrowers by promptly crediting the amounts so received in the aforesaid account of the Administrative Agent to the Funding Account; **provided** that ABR Loans or Overnight Swingline Rate Loans made to finance the reimbursement of (16) an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank and (17) 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 2.07 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 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 (18) in the case of such Lender, the greater of the applicable Overnight Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (i) in the case of the Borrowers, the interest rate applicable to ABR Loans or Overnight Swingline Rate Loans, as applicable, or in the case of Alternative Currencies, in accordance with such market practice, in each case, as applicable. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

Section 2.08 Interest Elections

.xiii) Each Borrowing initially shall be of the Type and Agreed Currency 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 2.08. 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 2.08 shall not apply to Swingline Borrowings, Overadvances or Protective Advances, which may not be converted or continued.

(a) To make an election pursuant to this Section 2.08, 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 fax to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by the Borrower Representative.

(b) 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 Agreed Currency, the name of the applicable Borrower and 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 (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing (in the case of Borrowings denominated in Dollars), a Term Benchmark Borrowing, or an RFR Borrowing; and

(iv) 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.

(c) 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.

(d) If the Borrower Representative fails to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing denominated in Dollars 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 (i) in the case of UK Loans, converted to a Borrowing bearing interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate for RFR Loans at the end of such Interest Period or (ii) in the case of all other Loans, converted to an ABR Borrowing at the end of such Interest Period. If the Borrower fails to deliver a timely and complete Interest Election Request with respect to a Term Benchmark Borrowing in an Alternative Currency prior to the end of the Interest Period therefor, then, unless such Term Benchmark Borrowing is repaid as provided herein, the Borrower shall be deemed to have selected that such Term Benchmark Borrowing shall automatically be continued as a Term Benchmark Borrowing in its original Agreed Currency with an Interest Period of one month at the end of such Interest Period. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the direction of the Required Lenders, so notifies the Borrower Representative, then, so long as an Event of Default is continuing (1) no outstanding Borrowing may be converted to or continued as a Term Benchmark Borrowing and (2) unless repaid, (x) each Term Benchmark Borrowing denominated in Dollars, except as set forth in the immediately succeeding clause (y), shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto, and (y) each Term Benchmark Borrowing denominated in an Alternative Currency and each Term Benchmark Borrowing denominated in Dollars constituting a UK Loan shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the Applicable Rate for RFR Loans; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Agreed Currency other than Dollars shall either (at the option of the Borrower Representative) be converted to (A) except in the case of UK Loans, an ABR Borrowing denominated in Dollars (in an amount equal to the U.S. Dollar Amount of such Alternative Currency), (B) an RFR Borrowing or (C) prepaid in full, in each case, at the end of the Interest Period applicable thereto; provided that if no election is made by the Borrower Representative by the earlier of (x) the date that is three (3) Business Days after receipt by the Borrower Representative of such notice and (y) the last day of the current Interest Period for the applicable Term Benchmark Loan, the Borrower Representative shall be deemed to have elected clause (B) above.

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 of the Secured Obligations.

(c) The Borrowers may from time to time reduce the Commitments; provided that (3) each reduction of the Commitments shall be in an amount that is an integral multiple of the U.S. Dollar Amount of \$5,000,000 and not less than the U.S. Dollar Amount of \$5,000,000, (4) the Borrowers shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with

Section 2.11, the Aggregate Revolving Exposure would exceed the lesser of (x) the aggregate Commitments of the Lenders and (y) the Borrowing Base, and (iii) the Borrowers shall not reduce the Commitments if such reduction will make the Commitments less than \$20,000,000.

(d) The Borrower Representative shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) or paragraph (c) of this Section 2.09 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 2.09 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 or the consummation of other transactions, 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 (5) any such request for an increase shall be in a minimum amount of \$5,000,000 (or such lesser amount as agreed by the Administrative Agent in its sole discretion), (6) after giving effect thereto, (x) the sum of the total of the additional Commitments does not exceed \$20,000,000 and (y) the aggregate Commitments do not exceed \$100,000,000, (7) the Administrative Agent and the Issuing Banks have approved the identity of any such new Lender, such approvals not to be unreasonably withheld, (8) any such new Lender assumes all of the rights and obligations of a "Lender" hereunder, (9) no Default or Event of Default shall have occurred and be continuing on the effective date of such increase or shall result therefrom, (vi) such increase and the incurrence of Indebtedness under the increased Commitments shall be permitted under the Term Loan Agreement as in effect on the date of such increase or consented to in writing by the "Required Lenders" under the Term Loan Agreement and (vii) the procedures described in Section 2.09(f) have been satisfied. 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. As a condition precedent to such an increase or addition, the Borrowers shall deliver to the Administrative Agent (10) a certificate of each Loan Party signed by an authorized officer of such Loan Party (a) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (b) in the case of the Borrowers, certifying that, immediately before and after giving effect to such increase or addition, (i) the representations and warranties contained in Article III and the other Loan Documents are true and correct in all material respects (other than such representation or warranty expressly qualified by materiality or by reference to Material Adverse Effect), 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 (other than such representation or warranty expressly qualified by materiality or by reference to Material Adverse Effect) as of such earlier date, (ii) no Default exists and (iii) the Borrowers are in compliance (on a pro forma basis) with the financial covenant contained in Section 6.12 and (11) legal opinions and documents consistent with those delivered on the Effective Date, to the extent requested by the Administrative Agent. If the Borrowers elect to increase the aggregate Commitments by increasing the Commitment of a Lender, the Borrowers and such Lender shall execute and deliver to the Administrative Agent an agreement substantially in the form of Exhibit F (a "Commitment Increase Agreement") or in such other form, including an amendment to this Agreement, otherwise reasonably 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 Borrowers and such additional Lender shall execute and deliver to the Administrative Agent an agreement substantially in the form of Exhibit G (an "Additional Lender Agreement") or in such other form, including an amendment to this Agreement, otherwise reasonably 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 (unless the submission of such fee is waived by the Administrative Agent). 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) On the effective date of any such increase or addition, (12) 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 Revolving Loans of all the Lenders to equal its revised Applicable Percentage of such outstanding Revolving Loans, and the Administrative Agent shall make such other adjustments among the Lenders with respect to the Revolving 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 (13) the Borrowers shall be deemed to have repaid and reborrowed all outstanding Revolving Loans as of the date of any increase (or addition) in the Commitments (with such reborrowing to consist of the Types of Revolving 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. Within a reasonable time after the effective date of any increase or addition, the Administrative Agent shall, and is hereby authorized and directed to, revise the Commitment Schedule to reflect such increase or addition and shall distribute such revised Commitment Schedule to each of the Lenders and the Borrowers, whereupon such revised Commitment Schedule shall replace the old Commitment Schedule and become part of this Agreement.

Section 2.10 Repayment of Loans; Evidence of Debt

(a) Each Borrower hereby unconditionally promises to pay (14) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Revolving Loan on the Maturity Date, (15) 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, (iii) to the Swingline Lender, the unpaid principal amount of each Swingline Loan on the Maturity Date, and (iv) to the Administrative Agent the then unpaid principal amount of each Overadvance on the earliest of the Maturity Date, the thirtieth (30th) day after such Overadvance is made, and demand by the Administrative Agent.

(b) During any Cash Dominion Trigger Period, on each Business Day, the Administrative Agent shall apply all funds credited to the Collection Account (other than a Collection Account of a UK Borrower) 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 to cash collateralize outstanding LC Exposure. Subject to the terms and conditions of Section 5.18, on each Business Day all funds standing to the credit of Collection Accounts of a UK Borrower shall in the Permitted Discretion of the Administrative Agent either be transferred to another account, not being a Collection Account, of that UK Borrower or applied first to prepay any Protective Advances and Overadvances that may be outstanding from that UK Borrower, pro rata, second to prepay the Revolving Loans (including Swingline Loans) outstanding from that UK Borrower and third to cash collateralize outstanding LC Exposure in respect of that UK Borrower and with the balance, in the Permitted Discretion of the Administrative Agent, either being retained in that Collection Account or transferred to another account, not being a Collection Account, of that UK Borrower, in each case unless the Administrative Agent otherwise requires when an Event of Default is continuing. Notwithstanding the foregoing, to the extent any funds credited to the Collection Accounts 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 (16) the amount of each Loan made hereunder, the Agreed Currency, Class, and Type thereof and the Interest Period applicable thereto, (17) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (18) 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) and paragraph (d) of this Section 2.10 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.

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 2.11 and, if applicable, payment of any break funding expenses under Section 2.16.

(b) Except for Overadvances permitted under Section 2.05, in the event and on such occasion that the Aggregate Revolving Exposure exceeds the lesser of (x) the aggregate Commitments of the Lenders and (y) the Borrowing Base, the Borrowers shall prepay the Revolving Loans, LC Exposure and/or Swingline Loans 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) In the event and on each occasion that any Net Proceeds in excess of \$1,000,000 are received by or on behalf of any Loan Party in respect of any Prepayment Event, the Borrowers shall, in each case, promptly (but in any event no more than three (3) Business Days) after such Net Proceeds are received by any Loan Party, 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 in excess of \$1,000,000, provided that any Net Proceeds attributable to the Term Loan Priority Collateral shall be applied in accordance with the Term Loan Documents, and provided further that in the case of Net Proceeds arising from any event described in clause (a) or clause (b) of the definition of the term "Prepayment Event" (other than Net Proceeds in respect of Accounts or Inventory) and the Borrowers are otherwise required to prepay the Obligations and/or cash collateralize the LC Exposure as set forth above, if the Borrower Representative shall deliver to the Administrative Agent a certificate of a Financial Officer to the effect that the Loan Parties intend to apply the Net Proceeds in excess of \$1,000,000 from such event (or a portion thereof specified in such certificate), within 365 days after receipt of such Net Proceeds, to acquire (or replace or rebuild) real property, equipment or other tangible assets (excluding Inventory) to be used in the business of the Loan Parties, and certifying that no Default has occurred and is continuing, then, if the Net Proceeds specified in such certificate are to be applied to acquire, replace or rebuild such assets by (i) the Borrowers, such Net Proceeds shall be applied by the Administrative Agent to reduce the outstanding principal balance of the Revolving Loans (without a permanent reduction of the Commitments) and upon such application, the Administrative Agent shall establish a Reserve against the Borrowing Base in an amount equal to the amount of such proceeds so applied and (ii) any Loan Party that is not a Borrower, such Net Proceeds shall be deposited in a cash collateral account, and in the case of either clause (i) or clause (ii), thereafter, such funds shall be made available to the applicable Loan Party as follows:

(A) the Borrower Representative shall request a Borrowing (specifying that the request is to use Net Proceeds pursuant to this Section 2.11) or the applicable Loan Party shall request a release from the cash collateral account be made in the amount needed;

(B) so long as the conditions set forth in Section 4.02 have been met, the Lenders shall make such Borrowing or the Administrative Agent shall release funds from the cash collateral account; and

(C) in the case of Net Proceeds applied against the Borrowing, the Reserve established with respect to such insurance proceeds shall be reduced by the amount of such Borrowing;

provided that to the extent of any such Net Proceeds therefrom that have not been so applied by the end of such 365-day period, unless if, prior to the expiration of such 365-day period, the Borrowers, directly or through its Restricted Subsidiaries, shall have entered into a binding agreement providing for such expenditure on or prior to the expiration of an additional 180-day period then such 365-day period shall be extended to the date provided for such expenditure in such binding agreement, a prepayment shall be required at such time 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), except in the case of Net Proceeds received with respect to Term Loan Priority Collateral which shall be applied in accordance with the Term Loan Documents, 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 cash collateralize outstanding 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 subject to the Intercreditor Agreement. The Borrowers and the other Loan Parties shall have no obligation to segregate, trace or otherwise identify Net Proceeds (other than the amount thereof), it being agreed that cash is fungible and that the Borrowers' obligations under this covenant may be satisfied by the application of funds from other sources.

(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 fax or through Electronic System) 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, or 10:00 a.m., London time, with respect to any UK Loan, (i)(x) in the case of prepayment of a Term Benchmark Borrowing denominated in Dollars, three (3) Business Days before the date of prepayment and (y) in the case of prepayment of an RFR Borrowing denominated in Sterling, four (4) Business Days before the date of prepayment or (19) in the case of prepayment of an ABR Borrowing, one (1) 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 a. accrued interest to the extent required by Section 2.13 and b. 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 (other than a Defaulting Lender) a commitment fee, which shall accrue at the applicable Commitment Fee Rate on the average utilization of the Commitments of the Lenders 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 calendar 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. 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 but excluding the last day).

(b) The Borrowers agree to pay (20) 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 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 (21) to the applicable Issuing Bank a fronting fee, which shall accrue at the rate or rates per annum separately agreed upon between the Borrowers and the applicable Issuing Bank on the U.S. Dollar Amount of 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 the applicable 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 calendar day of each calendar month following such last day, commencing on the first such date to occur after the Effective Date; provided that 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 its own account, fees payable in the amounts and at the times separately agreed upon between the Borrowers and the Administrative Agent in the Fee Letter or otherwise.

(d) All fees payable hereunder shall be paid on the dates due, in Dollars 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 ABR Borrowing (including U.S. Swingline Loans) shall bear interest at the lesser of (i) the ABR plus the Applicable Rate then in effect or (ii) the Maximum Rate. The Loans comprising Overnight Swingline Rate Loans shall bear interest at the Overnight Swingline Rate plus the Applicable Rate then in effect.

(b) The Loans comprising each Term Benchmark Borrowing (including all UK Swingline Loans funded in Dollars) shall bear interest at the lesser of (i) the Adjusted LBO Term SOFR Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate then in effect or (ii) the Maximum Rate.

(c) Each RFR Loan (including all UK Swingline Loans funded in Sterling) shall bear interest at the lesser of (i) the Adjusted Daily Simple RFR plus the Applicable Rate then in effect or (ii) the Maximum Rate.

(d) Each Protective Advance and each Overadvance made to any U.S. Borrower shall bear interest at the lesser of (i) the ABR plus the Applicable Rate then in effect plus 2% or (ii) the Maximum Rate.

(e) Each Protective Advance and each Overadvance constituting a UK Loan shall bear interest at the lesser of (i) the Adjusted Daily Simple RFR plus the Applicable Rate then in effect plus 2% or (ii) the Maximum Rate.

(f) Notwithstanding the foregoing, during the occurrence and continuance of an Event of Default, (i) at the election of the Administrative Agent, 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 2.13, but in any event such rate shall not exceed the Maximum Rate and (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.

(g) Accrued interest on each Loan (for ABR 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 (22) interest accrued pursuant to paragraph (f) of this Section 2.13 shall be payable on demand, (23) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR 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 (24) 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.

(h) 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 such fees shall be computed on the basis of a year of 365 days (or 366 days in a leap year)), except that (i) interest computed by reference to the Adjusted Daily Simple RFR with respect to Sterling and the Overnight Swingline Rate with respect to Sterling shall be computed on the basis of a year of 365 days and (ii) interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime 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 Alternate Base Rate, Adjusted LBO Term SOFR Rate, LBO Rate or Adjusted Daily Simple RFR or Overnight Swingline 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), (f) and (g) 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 LBO Rate or the LIBO Term SOFR Rate (including because the LBO Screen Term SOFR Reference Rate is not available or published on a current basis), for the applicable Agreed Currency and such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple RFR or RFR Overnight Swingline Rate for the applicable Agreed Currency; 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 LBO Rate or the LIBO Term SOFR Rate for the applicable Agreed Currency and 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 the applicable Agreed Currency and such Interest Period or (B) at any time, the applicable Adjusted Daily Simple RFR or RFR for the applicable Agreed Currency or Overnight Swingline Rate 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 the applicable Agreed Currency;

then the Administrative Agent shall give ~~written~~ notice thereof to the Borrower Representative and the Lenders ~~by telephone, telecopy or electronic mail through Electronic System 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, ~~(A with respect to the relevant Benchmark and (y) the Borrowers deliver 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, (A) for Loans to any U.S. Borrower denominated in Dollars, (1) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing shall be ineffective, (B) and any Borrowing Request that requests a Term Benchmark Borrowing in Dollars, such shall instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 2.14(a)(i) or (ii) above or (y) an ABR Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings 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 made as an ABR Borrowing, unless such Borrowing constitutes a UK Loan, in which case such Borrowing shall bear interest at the Central Bank Rate for the deemed to be a Borrowing Request, as applicable, for an ABR Borrowing, (B) for Loans to any UK Borrower denominated in Dollars, (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 denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 2.14(a)(i) or (ii) above or (y) an Alternate Rate Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings 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 Agreed Currency plus the Applicable for an Alternate Rate for RFR Loans Borrowing, and (C) #for Loans denominated in an Alternative Currency, any Interest Election Request that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing or an RFR Borrowing, in each case, for the relevant rate above in an Alternative Currency, then such request Benchmark, shall be ineffective; provided further that if the circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan, ~~Overnight Swingline Rate Loan~~ or RFR Loan in any Agreed Currency 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, ~~Overnight Swingline Rate 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) if such Term Benchmark Loan is the Borrowers deliver 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, (A) for Loans to any U.S. Borrower~~ denominated in Dollars, ~~except as set forth in the immediately succeeding clause (ii), then (1) any Term Benchmark Loan shall~~ on the last day of the Interest Period applicable to such Loan ~~for the next succeeding Business Day if such day is not a Business Day~~, such Loan shall, be converted by the Administrative Agent to, and shall constitute, ~~(x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 2.14(a)(i) or (ii) above, on such day, or (y) an ABR Loan denominated in Dollars if the Adjusted Daily Simple RFR for Dollar Borrowings 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, (ii) if such Term Benchmark Loan constitutes a UK Loan or is be converted by the Administrative Agent to, and shall constitute an ABR Loan, (B) for Loans to any UK Borrower~~ denominated in ~~any Agreed Currency other than~~ Dollars, ~~then such Loan (1) any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan, and any Overnight Swingline Rate Loan shall, on such day or the next succeeding Business Day, be converted by the Administrative Agent to, and shall constitute, (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 2.14(a)(i) or (ii) above, on such day or (y) an Alternate Rate Loan if the Adjusted Daily Simple RFR for Dollar Borrowings 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 an Alternate Rate Loan, and (C) for Loans denominated in an Alternative Currency, (1) any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan (for the next succeeding Business Day if such day is not a Business Day), bear interest at the Central Bank Rate for the applicable Agreed Currency currency plus the Applicable Rate for RFR Loans CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Agreed Currency other than Dollars shall, at the Borrower Representative's election prior to such day: (A) bear interest at the Alternate Rate, (y) be prepaid by the Borrowers on such day or (B) solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Agreed Currency other than Dollars currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time or and (ii) if such any RFR Loan is denominated in any Agreed Currency other than Dollars, then such or any Overnight Swingline Rate Loan shall bear interest at the Central Bank Rate for the applicable Agreed Currency currency plus the Applicable Rate for RFR Loans CBR Spread; provided further that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency currency cannot be determined, any outstanding affected RFR Loans denominated in any Agreed Currency other than Dollars or Overnight Swingline Rate Loans, at the Borrower Representative's election, shall either (A) other than UK Loans, be converted into ABR Loans denominated in Dollars (in an amount equal to the U.S. Dollar Amount of such Alternative Currency) immediately bear interest at the Alternate Rate or (B) be prepaid in full immediately.~~

(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, ~~an Early Opt in Election or an Other Benchmark Rate Election, as applicable~~, 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) or (2) of the definition of "Benchmark Replacement" with respect to Dollars for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any ~~other~~ 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" with respect to any Agreed Currency for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any ~~other~~ Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (~~Chicago~~ New York City time) on the fifth (5th) Business Day after the date ~~written~~ 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 of each affected Class.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document ~~and subject to the proviso below in this paragraph, with respect to a Loan denominated in Dollars, if a Term SOFR 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 the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any other 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; provided that, this clause (c) shall not be effective unless~~, the Administrative Agent ~~has delivered to the Lenders and, in consultation with~~ the Borrower Representative a Term

~~SOFR Notice. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term SOFR Notice after the occurrence of a Term SOFR Transition Event and may do so in its sole discretion.~~

(d) ~~In connection with the implementation of a Benchmark Replacement, 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) ~~(e) The Administrative Agent will promptly notify the Borrower Representative and the Lenders of (i) any occurrence of a Benchmark Transition Event, an Early Opt-in Election or an Other Benchmark Rate Election, as applicable, and its related Benchmark Replacement Date, (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 (e) 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) ~~(f) 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 or ~~the~~ LIBO a term rate as part of an Overnight Swingline Rate Loan) 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) ~~(g) Upon the Borrower Representative's receipt of ~~written~~ notice of the commencement of a Benchmark Unavailability Period, the ~~Borrower Representative~~ ~~Borrowers~~ may revoke any request for a Term Benchmark Borrowing or RFR Borrowing of, conversion to or continuation of Term Benchmark ~~Loans or RFR~~ Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, either (x) the ~~Borrower Representative~~ ~~Borrowers~~ will be deemed to have converted any ~~such~~ request for (1) a Term Benchmark Borrowing denominated in Dollars into a request for a Borrowing of or conversion to ~~ABR Loans~~ (A) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (B) an ABR Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event, other than such requested Term Benchmark Borrowings that constitute UK Loans, or (2) an RFR Borrowing denominated in Dollars into a request for an ABR Borrowing, other than such requested RFR Borrowings that constitute UK Loans, or (y) any Term Benchmark Borrowing constituting denominated in Dollars that constitutes a UK Loan or and any Term Benchmark Borrowing or RFR Borrowing denominated in an Alternative Currency (or otherwise not addressed by the immediately preceding clause (x)) shall be ineffective. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan, ~~Overnight Swingline Rate Loan~~ or RFR Loan in any Agreed Currency is outstanding on the date of the Borrower Representative's receipt of ~~written~~ notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan, ~~Overnight Swingline Rate Loan~~ or RFR Loan, then until such time as a Benchmark Replacement for such Agreed Currency is implemented pursuant to this Section 2.14, if such (A) for Loans to any U.S. Borrower denominated in Dollars, (1) any Term Benchmark Loan is denominated in Dollars, other than UK Loans, then 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), such Loan shall, be converted by the Administrative Agent to, and shall constitute, an ABR Loan (x) an RFR Loan denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (y)~~

~~an ABR Loan if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event, on such day and (2) any RFR Loan shall on and from such day, if such Term Benchmark Loan is a UK Loan or is be converted by the Administrative Agent to, and shall constitute an ABR Loan, (B) for Loans to any UK Borrower denominated in any Agreed Currency other than Dollars, then such Loan (1) any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan, and any Overnight Swingline Rate Loan shall, on such day or the next succeeding Business Day, be converted by the Administrative Agent to, and shall constitute, (x) an RFR Loan denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (y) an Alternate Rate Loan if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event, on such day and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an Alternate Rate Loan, and (C) for Loans denominated in an Alternative Currency, (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) bear interest at the Central Bank Rate for the applicable Agreed Currency currency, plus the Applicable Rate for RFR Loans CBR Spread; provided that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Agreed~~

Currency other than Dollars shall, at the Borrower Representative's election prior to such day: (x) be prepaid by the Borrowers on such day or (y) solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan **denominated in any Agreed Currency other than Dollars** shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time **or if such and (2) any RFR Loan is denominated in any Agreed Currency other than Dollars, then such or Overnight Swingline Rate** Loan shall bear interest at the Central Bank Rate for the applicable **Agreed Currency currency** plus the **Applicable Rate for RFR Loans CBR Spread**; **provided** that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable **Agreed Currency currency** cannot be determined, any outstanding affected RFR Loans **denominated in any Agreed Currency or Overnight Swingline Rate Loans**, at the Borrower Representative's election, shall either **other than UK Loans, be converted into ABR Loans denominated in Dollars (in an amount equal to the U.S. Dollar Amount of such Alternative Currency) immediately** (x) bear interest at the **Alternate Rate** or (y) be prepaid in full immediately.

Section 2.15 Increased Costs

.xiv) 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 LIBOR Term SOFR Rate) or any Issuing Bank;**

(ii) **impose on any Lender or Issuing Bank or the London or other applicable offshore interbank market for the applicable Agreed Currency 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 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, any 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), 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 Swingline Loans, Letters of Credit, Overadvances or Protective Advances 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 2.15 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 2.15 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 2.15 for any increased costs or reductions incurred more than 270 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 270-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 (i) 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), (ii) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (iii) 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), (iv) 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 or Section 9.02(d) or (v) the failure by the Borrowers to make any payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in an Alternative Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the Borrowers shall compensate each Lender for the**

loss, cost and expense attributable to such event. In the case of a Term Benchmark Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (x) the amount of interest which would have accrued on the principal amount of such Term Benchmark Loan had such event not occurred, at the Adjusted ~~HBO~~Term SOFR Rate that would have been applicable to such Term Benchmark Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Term Benchmark Loan), over (y) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the applicable Agreed Currency of a comparable amount and period from other banks in the applicable offshore interbank market for such Agreed Currency, whether or not such Term Benchmark Loan was in fact so funded. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.16 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), (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Borrower Representative pursuant to Section 2.19 or Section 9.02(d) or (iv) the failure by the Borrowers to make any payment of any Loan or drawing under any Letter of Credit (or interest due thereof) denominated in an Alternative Currency on its scheduled due date or any payment thereof in a different currency, 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 Loan Party 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 (and subject to Section 2.17(g)(i) in respect of payments by or on account of any obligation of any UK Borrower), then the sum payable by the applicable Loan Party 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(a)) 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 Loan Parties. The Loan Parties 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 Payment. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.17, such Loan Party 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 Loan Parties. The Loan Parties 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 2.17) 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 Loan Party 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 (2) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (3) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c) relating to the maintenance of a Participant Register and (4) 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 the 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)(i)(A), Section 2.17(f)(i)(B) and Section 2.17(f)(i)(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. This Section 2.17(f)(i) shall not apply to any Lender in respect of any advance made under any Loan Document to a UK Borrower in circumstances where the applicable withholding Tax referred to in this Section 2.17(f)(i) is a UK Tax Deduction.

(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 applicable 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 such Withholding Agent), an executed 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 applicable 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 such 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 U.S. is a party (x) with respect to payments of interest under any Loan Document, an executed 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 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 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 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 applicable 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 such Withholding Agent), executed originals 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 such 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 applicable Withholding Agent at the time or times prescribed by law and at such time or times reasonably requested by such 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 such Withholding Agent as may be necessary for such 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 applicable Withholding Agent in writing of its legal inability to do so.

(iii) Each Lender which becomes a party to this Agreement after the date of this Agreement ("**New Lender**") shall indicate, in the documentation which it executes on becoming a party to this Agreement, and for the benefit of the Administrative Agent and without liability to any UK Borrower, which of the following categories it falls within:

- (A) not a UK Qualifying Lender;
- (B) a UK Qualifying Lender (other than a UK Treaty Lender); or
- (C) a UK Treaty Lender.

If a New Lender fails to indicate its status in accordance with this Section 2.17(f)(iii), then that New Lender shall be treated for the purposes of this Agreement (including by each UK Borrower) as if it is not a UK Qualifying Lender until such time as it notifies the Administrative Agent which category applies (and the Administrative Agent, upon receipt of such notification, shall inform the UK Borrower). For the avoidance of doubt, the documentation which a Lender executes on becoming a party to this Agreement shall not be invalidated by any failure of a New Lender to comply with this Section 2.17(f)(iii).

(g) Additional United Kingdom Withholding Tax Matters.

(i) A payment by a UK Borrower shall not be increased under Section 2.17(a) by reason of a UK Tax Deduction on account of Taxes imposed by the UK on interest if, on the date on which the payment falls due:

(A) the payment could have been made to the relevant Lender without a UK Tax Deduction if the Lender had been a UK Qualifying Lender, but on that date that Lender is not or has ceased to be a UK Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or UK Treaty or any published practice or published concession of any relevant taxing authority; or

(B) the relevant Lender is a UK Qualifying Lender solely by virtue of paragraph (a)(ii) of the definition of UK Qualifying Lender, and:

(1) an officer of HM Revenue & Customs has given (and not revoked) a direction (a Direction) under section 931 of the UK ITA which relates to the payment and that Lender has received from the Borrower Representative or the UK Borrower making the payment a certified copy of that Direction; and

(2) the payment could have been made to the Lender without any UK Tax Deduction if that Direction had not been made; or

(C) the relevant Lender is a UK Qualifying Lender solely by virtue of paragraph (a)(ii) of the definition of UK Qualifying Lender and:

(1) the relevant Lender has not given a UK Tax Confirmation to the UK Borrower; and

(2) the payment could have been made to the Lender without any UK Tax Deduction if the Lender had given a UK Tax Confirmation to the UK Borrower, on the basis that the UK Tax Confirmation would have enabled the UK Borrower to have formed a reasonable belief that the payment was an "excepted payment" for the purpose of section 930 of the UK ITA;

(D) the relevant Lender is a UK Treaty Lender and the UK Borrower making the payment is able to demonstrate that the payment could have been made to the Lender without the UK Tax Deduction had that Lender complied with its obligations under (ii) below; or

(E) any such increased payment would be duplicative of any additional amounts or any indemnity already paid by the Loan Parties in respect of the same UK Tax Deduction pursuant to any Loan Document.

(ii) Subject to (iii) below, each UK Treaty Lender and each UK Borrower which makes a payment to such UK Treaty Lender shall cooperate in completing any procedural formalities necessary for such UK Borrower to obtain authorization to make such payment without a UK Tax Deduction.

(iii) (A) A UK Treaty Lender on the Effective Date that (x) holds a passport under the HMRC DT Treaty Passport scheme and (y) wishes such scheme to apply to this Agreement, shall include an indication to that effect (for the benefit of the Administrative Agent and without liability to any UK Borrower) by confirming its scheme reference number and its jurisdiction of tax residence in the Commitment Schedule; and

(B) a UK Treaty Lender which becomes a Lender hereunder after the day on which this Agreement closes that (x) holds a passport under the HMRC DT Treaty Passport scheme and (y) wishes such scheme to apply to this Agreement, shall include an indication to that effect (for the benefit of the Administrative Agent and without liability to any UK Borrower) by notifying any UK Borrower of its scheme reference number and its jurisdiction of tax residence in the documentation which it executes on becoming a party to this Agreement as Lender, and

(C) Upon satisfying either clause (A) or (B) above, such Lender shall have satisfied its obligation under paragraph (g)(ii) above.

(iv) If a Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (g)(iii) above, the UK Borrower(s) shall make a Borrower DTTP Filing with respect to such Lender, and shall promptly provide such Lender with a copy of such filing; provided that, if:

(A) a UK Borrower making a payment to such Lender has not made a Borrower DTTP Filing in respect of such Lender; or

(B) a UK Borrower making a payment to such Lender has made a Borrower DTTP Filing in respect of such Lender but:

(1) such Borrower DTTP Filing has been rejected by HM Revenue & Customs; or

(2) HM Revenue & Customs has not given such UK Borrower authority to make payments to such Lender without a UK Tax Deduction for tax within 60 days of the date of such Borrower DTTP Filing; or

(3) HM Revenue & Customs has given the UK Borrower authority to make payments to that Lender without a UK Tax Deduction but such authority has subsequently been revoked or expired,

and in each case, such UK Borrower has notified that Lender in writing of either (1), (2) or (3) above, then such Lender and such UK Borrower shall cooperate in completing any additional procedural formalities necessary for such UK Borrower to obtain authorization to make that payment without UK Tax Deduction.

(v) If a Lender has not included an indication to the effect that it wishes the HMRC DT Treaty Passport scheme to apply to this Agreement in accordance with paragraph (g)(iii) above, no UK Borrower shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment(s) or its participation in any Loan unless the Lender otherwise agrees.

(vi) Each UK Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of such Borrower DTTP Filing to the Administrative Agent for delivery to the relevant Lender.

(vii) A UK Non-Bank Lender shall promptly notify the Borrower Representative and the Administrative Agent if there is any change in the position from that set out in the UK Tax Confirmation.

(h) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of or credit with respect to 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 or credit (but only to the extent of indemnity payments made under this Section 2.17 with respect to the Taxes giving rise to such refund or credit), net of all 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 or credit). 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 or credit had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts giving rise to such refund or credit 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.

(i) 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).

(j) [Reserved].

(k) VAT.

(i) All amounts set out or expressed in a Loan Document to be payable by any party to any Lender, the Administrative Agent or Issuing Bank (a **Finance Party**) which (in whole or in part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies, and accordingly, subject to (ii) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any party under a Loan Document and such Finance Party is required to account to the relevant tax authority for the VAT, that party shall pay to the Finance Party (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of such VAT (and such Finance Party shall promptly provide an appropriate VAT invoice to such party).

(ii) If VAT is or becomes chargeable on any supply made by any Finance Party (the "**Supplier**") to any other Finance Party (the "**Receiver**") under a Loan Document, and any party other than the Receiver (the "**Subject Party**") is required by the terms of any Loan Document to pay an amount equal to the consideration for such supply to the Supplier (rather than being required to reimburse or indemnify the Receiver in respect of that consideration):

(A) where the Supplier is the person required to account to the relevant tax authority for the VAT the Subject Party shall also pay to the Supplier (in addition to and at the same time as paying such amount) an amount equal to the amount of such VAT. The Receiver will promptly pay to the Subject Party an amount equal to any credit or repayment obtained by the Receiver from the relevant tax authority which the Receiver reasonably determines is in respect of such VAT; and

(B) where the Receiver is the person required to account to the relevant tax authority for the VAT, the Subject Party shall promptly, following demand from the Receiver, pay to the Receiver an amount equal to the amount of VAT chargeable on that supply but only to the extent that the Receiver reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.

(iii) Where a Loan Document requires any party to reimburse or indemnify a Finance Party for any cost or expense, that party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(iv) Any reference in this paragraph (k) to any party shall, at any time when such party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term "representative member" to have the same meaning as in the Value Added Tax Act 1994 (UK)).

(v) In relation to any supply made by any Finance Party to any party under any Loan Document, if reasonably requested by such Finance Party, that party shall promptly provide such Finance Party with details of that party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

(l) Defined Terms. For purposes of this Section 2.17, the term "applicable law" includes FATCA.

(a) (i) Except with respect to principal of and interest on Loans denominated in an Alternative Currency, the Borrowers shall make each payment 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., London time, with respect to any UK Loan, or 2:00 p.m., Chicago time, in any other case, on the date when due and (ii) all payments with respect to principal of and interest on Loans denominated in an Alternative Currency shall be made in such Alternative Currency not later than the Applicable Time specified by the Administrative Agent on the dates specified herein, in each case, in immediately available funds, without setoff, 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 (i) payments of UK Loans shall be made to the Administrative Agent at its offices at 25 Bank Street, Canary Wharf, London E14 5JP, United Kingdom, and (ii) payments to be made directly to an Issuing Bank or the 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. 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 (in the U.S. Dollar Amount of the Alternative Currency payment amount, to the extent applicable); provided that any payments hereunder in respect of Borrowings made or Letters of Credit issued in any Alternative Currency may be made in such Alternative Currency. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States.

(b) Any proceeds of Collateral received by the Administrative Agent (5) 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 Borrowers), (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 (which shall be applied in accordance with Section 2.10(b)) or (6) 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 including amounts 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 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, eight, to pay 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 Loan Party shall not be applied to any Excluded Swap Obligation of such Loan Party. 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 1. on the expiration date of the Interest Period applicable thereto or 2. in the event, and only to the extent, that there are no outstanding ABR 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 (other than in the case of any proceeds received from the UK Borrowers or pursuant to the UK Collateral Documents, which shall only be applied to the UK Secured Obligations). Notwithstanding anything to the contrary contained in this Agreement, upon the occurrence and during the continuance of an Event of Default, the proceeds of any sale of, or other realization upon, all or any part of the Collateral shall be applied in accordance with the terms of the Intercreditor Agreement.

(c) At the election of the Administrative Agent, all payments of principal, interest, LC Disbursements, fees, insurance 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 2.18 or may be deducted from any deposit account of any Borrower maintained with the Administrative Agent. The Borrowers hereby irrevocably authorize (7) 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 (8) 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 (9) 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 (10) 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 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 Banks 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 the applicable Issuing Banks, 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 Federal Funds Effective 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), (11) 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 (12) 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 clause (ii) above shall be made in any order determined by the Administrative Agent in its discretion.

(g) The Administrative Agent may from time to time provide the Borrowers with account statements or invoices with respect to any of the Secured Obligations (the "Statements"). The Administrative Agent is under no duty or obligation to provide Statements, which, if provided, will be solely for the Borrowers' convenience. Statements may contain estimates of the amounts owed during the relevant billing period, whether of principal, interest, fees or other Secured Obligations. If the Borrowers pay the full amount indicated on a Statement on or before the due date indicated on such Statement, the Borrowers shall not be in default of payment with respect to the billing period indicated on such Statement; provided, that acceptance by the Administrative Agent, on behalf of the Lenders, of any payment that is less than the total amount actually due at that time (including but not limited to any past due amounts) shall not constitute a waiver of the Administrative Agent's or the Lenders' right to receive payment in full at another time.

Section 2.19 Mitigation Obligations; Replacement of Lenders

(a) If any Lender requests compensation under Section 2.14(b) or 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 such designation or assignment (13) would eliminate or reduce amounts payable pursuant to Section 2.14(b), Section 2.15 or Section 2.17, as the case may be, in the future and (14) 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, so long as such costs and expenses are expected to be less than the amounts that would otherwise be due from Borrower pursuant to Section 2.14(b), Section 2.15 and Section 2.17; provided, that, if such expenses are expected to be more, then such Lender shall not be required to comply with this clause (a).

(b) If any Lender requests compensation under Section 2.14(b) or 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 2.14(b), 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 (15) 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, (16) 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 (17) in the case of any such assignment resulting from a claim for compensation under Section 2.14(b) or 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.

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 Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) 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(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 (b) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender directly affected thereby to the extent such amendment, waiver or other modification directly affects the Defaulting Lender;

(c) 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 (x) to the extent that the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrower Representative shall have otherwise notified the Administrative Agent at such time, the Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time) and (y) 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 (1) 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(j) 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 (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

(d) so long as such Lender is a Defaulting Lender, no Issuing Bank shall 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(c), and any 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(g)(i) (and such Defaulting Lender shall not participate therein).

If (18) 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 (19) 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, no Issuing Bank shall be required to issue, amend or increase any Letter of Credit,

unless such Issuing Bank shall have entered into arrangements with the Borrowers or such Lender, satisfactory to such Issuing Bank 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 the 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

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 Restricted Subsidiary 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 Restricted Subsidiary thereof to such Lender or Affiliate (whether matured or unmatured, absolute or contingent). In addition, 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. 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 Loan Party represents and warrants to the Lenders that:

Section 3.01 Organization; Powers

. Each of the Loan Parties, the Non-Recourse Pledgors and the Restricted Subsidiaries is duly organized or incorporated, validly existing and (as applicable) in good standing under the laws of the jurisdiction of its organization or incorporation, 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

xv) The Transactions are within each Loan Party's corporate, constitutional or other organizational powers and have been duly authorized by all necessary corporate, constitutional or other organizational actions and, if required, actions by equity holders. Each Loan Document to which each Loan Party is a party has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to, and as may be limited by,

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.

(a) Subject to the Legal Reservations, the choice of governing law provisions contained in this Agreement and each other Loan Document to which any UK Borrower is a party are enforceable in the jurisdictions where such UK Borrower is organized or incorporated or any Collateral of such UK Borrower is located. Subject to the Legal Reservations, any judgment obtained against a UK Borrower in connection with any Loan Document in the jurisdiction of the governing law of such Loan Document will be recognized and be enforceable in the jurisdictions where such UK Borrower is organized or any Collateral is located.

(b) Subject to applicable Insolvency Laws and applicable principles of public policy, no UK Borrower, nor any of their property or assets has any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the laws of the jurisdiction in which such UK Borrower is organized in respect of their respective obligations under the Loan Documents or to which they or their property or assets is subject.

Section 3.03 Governmental Approvals; No Conflicts

xvi) The Transactions 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, xvii) will not violate any Requirement of Law applicable to any Loan Party, any Non-Recourse Pledgor or any Restricted Subsidiary or any Organizational Document of any Loan Party, Non-Recourse Pledgor or any Restricted Subsidiary, xviii) will not violate or result in a default under any indenture, agreement or other instrument governing any Material Indebtedness binding upon any Loan Party, Non-Recourse Pledgor or any Restricted Subsidiary or the assets of any Loan Party, Non-Recourse Pledgor or any Restricted Subsidiary, or give rise to a right thereunder to require any payment to be made by any Loan Party, Non-Recourse Pledgor or any Restricted Subsidiary, and xix) will not result in the creation or imposition of any Lien on any asset of any Loan Party, Non-Recourse Pledgor or any Restricted Subsidiary, except Liens created pursuant to the Loan Documents.

Section 3.04 Financial Condition; No Material Adverse Change

. xx) The Company has heretofore furnished to the Lenders its consolidated balance sheet and statements of income, stockholders equity and cash flows (i) as of and for the fiscal year ended December 31, 2017, reported on by Ernst & Young LLP, independent public accountants, and (ii) as of and for the fiscal quarter and the portion of the fiscal year ended June 30, 2018, certified by a Financial Officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Company and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to normal 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 the statements referred to in clause (ii) above.

(a) No event, change or condition has occurred that has had, or could reasonably be expected to have, a Material Adverse Effect, since December 31, 2017.

Section 3.05 Properties and Intellectual Property

. xxi) 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 Loan Party. Each of such leases and subleases is valid and enforceable in accordance with its terms and is in full force and effect, and to the Loan Parties' knowledge, no default by any party to any such lease or sublease exists. Each of the Loan Parties and each of its Restricted Subsidiaries has good and valid 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.

(a) Each of the Loan Parties and the Restricted Subsidiaries owns, or is licensed or has the right to use, all material trademarks, trade names, 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 Loan Party and each Restricted Subsidiary does not infringe in any material respect upon the rights of any other Person, and each Loan Party's and each Restricted Subsidiary's rights thereto are not subject to any licensing agreement or similar arrangement, except those that do not (individually or in the aggregate) materially detract from the value of the affected intellectual property or interfere with the ordinary conduct of business of any Borrower or any Restricted Subsidiary.

Section 3.06 Litigation and Environmental Matters

. xxii) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Loan Party, threatened in writing against or affecting any Loan Party, any Non-Recourse Pledgor or any Restricted Subsidiary (1) as to which there is a reasonable expectation of an adverse determination and that, if adversely determined, would reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or (2) that involve any Loan Document or the Transactions.

(a) Except for the Disclosed Matters (3) no Loan Party or any Restricted Subsidiary has received notice of any claim with respect to any material Environmental Liability or knows of any basis for any material Environmental Liability and (4) except with respect to any other matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, no Loan Party or any Restricted Subsidiary (a) 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, (b) has become subject to any Environmental Liability, (c) has received notice of any claim with respect to any Environmental Liability or (d) knows of any basis for any Environmental Liability.

(b) Since the date of this Agreement, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in or would be reasonably expected to result in, a Material Adverse Effect.

Section 3.07 Compliance with Laws and Agreements; No Default

. Except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, each of the Loan Parties, the Non-Recourse Pledgors and the Restricted Subsidiaries is in compliance with (a) all Requirement of Law applicable to it or its property and (b) all indentures, agreements and other instruments binding upon it or its property. No Default has occurred and is continuing.

Section 3.08 Investment Company Status

. No Loan Party nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.09 Taxes

. Each Loan Party, each Non-Recourse Pledgor and each of its Restricted Subsidiaries have 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 xxiii) Taxes that are being contested in good faith by appropriate proceedings and for which such Loan Party, Non-Recourse Pledgor or such Restricted Subsidiary, as applicable, has set aside on its books adequate reserves or xxiv) to the extent that the failure to do so would not be expected to result in a Material Adverse Effect. Other than as set forth on Schedule 3.09, no tax liens have been filed.

Section 3.10 ERISA: Foreign Pensions

(a) 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, would reasonably be expected to result in a Material Adverse Effect. Except as, individually or in the aggregate, would not 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 subsequent recodification thereof, 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 subsequent recodification thereof, 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.

(b) (i) No UK Borrower is or has at any time been: (A) an employer (as defined for the purposes of sections 38 to 51 of the Pensions Act 2004 (U.K.)) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pensions Scheme Act 1993 (U.K.)), or (B) "connected" with or an "associate" (as those terms are used in sections 38 and 43 of the Pensions Act 2004 (U.K.)) of such an employer, and (ii) no UK Borrower has been issued with a Financial Support Direction or Contribution Notice in respect of any UK defined benefit pension plan.

(c) Except as would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect: (i) all employer and employee contributions (including insurance premiums) required from any Loan Party by any Requirement of Law applicable to any Foreign Pension Plan or by the terms of any Foreign Pension Plan (including any policy held thereunder) have been made, or, if applicable, accrued in accordance with normal accounting practices; (ii) each Foreign Pension Plan that is required to be registered has been registered; and (iii) each Foreign Pension Plan is in compliance (A) with all material provisions of any Requirement of Law applicable with respect to such Foreign Pension Plan and (B) with all material terms of such Foreign Pension Plan.

(d) Except as, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, the present value of the aggregate accumulated benefit obligations of all Foreign Pension Plans (based on those assumptions used to fund such Foreign Pension Plans) with respect to all current and former participants did not, as of the last annual valuation date applicable thereto, exceed the fair market value of the assets of all such Foreign Pension Plans.

Section 3.11 Disclosure

. The Loan Parties have disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which any Loan Party or any Subsidiary is subject, and all other matters known to it, that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect. None of the written reports, financial statements, certificates or other written information furnished by or on behalf of any Loan Party or any of its Subsidiaries (taken as a whole) 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 written information so furnished) contains any material misstatement of fact or omits to state any material fact (other than industry-wide risks normally associated with the types of businesses conducted by the Loan Parties and as to matters related to the economy in general) necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading as of the date made or deemed made; provided that, with respect to projected financial information, the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time delivered.

Section 3.12 Material Agreements

. All Material Contracts to which any Loan Party or Restricted Subsidiary is a party or is bound as of the date of this Agreement are listed on Schedule 3.12. No Loan Party or any Restricted Subsidiary is in default beyond any applicable grace period in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in xxv any such Material Contract (other than Material Contracts evidencing or governing Material Indebtedness) to which it is a party, which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect or xxvi any agreement or instrument evidencing or governing Material Indebtedness.

Section 3.13 Solvency

(a) Immediately after the consummation of the Transactions to occur on the Effective Date, (i) the fair value of the assets of the Loan Parties taken as a whole, at a fair valuation, will exceed their debts and liabilities, subordinated, contingent or otherwise; (ii) the present fair saleable value of the property of the Loan Parties taken as a whole will be greater than the amount that will be required to pay the probable liability of their debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) the Loan Parties taken as a whole will be able to generally pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (iv) the Loan Parties taken as a whole will not have unreasonably small capital with which to conduct the business in which they are engaged as such business is now conducted and is proposed to be conducted after the Effective Date. For purposes of this clause (a), the amount of contingent liabilities at any time shall be computed as the amount that, in

the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability. In determining whether the Loan Parties taken as a whole are solvent in accordance with this Section 3.13(a), all rights of contribution of each Loan Party against other Loan Parties under the Guarantee, at law, in equity or otherwise, shall be taken into account.

(b) The Loan Parties, taken as a whole, do not intend to, nor will they permit any Restricted Subsidiary to, and the Loan Parties taken as a whole do not believe that they or any of its Restricted Subsidiaries will, incur debts beyond their ability to pay such debts as they mature, taking into account the timing of and amounts of cash to be received by them or any such Restricted Subsidiary and the timing of the amounts of cash to be payable on or in respect of the Indebtedness or the Indebtedness of any such Restricted Subsidiary, and taking into account all rights of contribution of the Loan Parties against other Loan Parties under the Guarantee, at law, in equity or otherwise.

(c) Immediately after the consummation of the Transactions to occur on the Second Amendment Effective Date, with respect to the UK Borrowers on the Second Amendment Effective Date, (i) no UK Borrower will (A) be unable to or have admitted its inability to pay its debts as they fall due, (B) be deemed to or declared to be unable to pay its debts under applicable law, (C) have suspended or threatened to suspend making payments on any of its debts, or (D) by reason of actual or anticipated financial difficulties, have commenced negotiations with one or more of its creditors generally or any class of them (other than the Lender Parties) with a view to rescheduling any of its Indebtedness and (ii) no UK Borrower will have had declared a moratorium in respect of any Indebtedness.

Section 3.14 Insurance

. Schedule 3.14 sets forth a description of all insurance maintained by or on behalf of the Loan Parties and their Restricted Subsidiaries as of the Effective Date. As of the Effective Date, all premiums in respect of such insurance have been paid. Each Borrower maintains, and has caused each Restricted Subsidiary to maintain, with financially sound and reputable insurance companies, insurance on all their real and personal property in such amounts, subject to such deductibles and self-insurance retentions and covering such properties and risks as are adequate and customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

Section 3.15 Capitalization and Subsidiaries

. As of the Effective Date, Schedule 3.15 sets forth xxvii a correct and complete list of the name and relationship to the Company of each and all of the Company's Subsidiaries (other than Compressco or the other Unrestricted Subsidiaries), xxviii a true and complete listing of each class of each Borrower's and their respective Subsidiaries' authorized Equity Interests, all of which issued Equity Interests are validly issued, outstanding, fully paid and non-assessable (to the extent such concepts are relevant), and, with respect to the Company's Subsidiaries (other than Compressco), owned beneficially and of record by the Persons identified on Schedule 3.15, and xxix the type of entity of the Company and each of its Subsidiaries (other than Compressco). All of the issued and outstanding Equity Interests owned by any Loan Party 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. As of the Effective Date, there are no outstanding commitments or other obligations of any Loan Party 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 Loan Party, except as set out on [Schedule 3.15](#).

Section 3.16 Security Interest in Collateral

(a) The provisions of this Agreement and the other Loan Documents are effective to create legal and valid Liens on all of the Collateral in favor of the Administrative Agent, for the benefit of the applicable Secured Parties, and such Liens, when financing statements in appropriate form are filed in the appropriate offices, or possession or control is taken in accordance with the UCC of such Collateral by Administrative Agent, to the extent a security interest may be perfected in such Collateral by the filing of a financing statement or the taking possession or control of such Collateral in accordance with the UCC and in the case of any Collateral Document to which a UK Borrower is party when registered as required pursuant to [Section 3.16\(b\)](#), will constitute perfected and continuing Liens on the Collateral, securing the applicable Secured Obligations, enforceable against the applicable Loan Party subject to, and as may be limited by, 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, and having priority over all other Liens on the Collateral except in the

case of (i) Liens permitted by [Section 6.02](#), to the extent any such Lien would have priority over the Liens in favor of the Administrative Agent pursuant to any applicable law or agreement and (ii) Liens securing the Specified Term Indebtedness in accordance with and subject to the terms of the Intercreditor Agreement.

(b) Under the law of each UK Borrower's jurisdiction of incorporation it is not necessary that any Collateral Document to which it is party be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to any such Collateral Document or the transactions contemplated by any such Collateral Document in that jurisdiction, except registration of particulars of such Collateral Documents to which a UK Borrower is party at Companies House in England and Wales in accordance with Part 25 (Company Charges) of the Companies Act 2006 or any regulations relating to the registration of charges made under, or applying the provisions of, the Companies Act 2006 and payment of associated fees, which registrations, filings and fees will be made and paid promptly after the date of that Collateral Document.

Section 3.17 Employment Matters

. As of the Effective Date, to the Loan Parties' knowledge, there are no strikes, lockouts or slowdowns against any Loan Party or any Restricted Subsidiary pending or, to the knowledge of any Loan Party, threatened. To the knowledge of the Loan Parties, the hours worked by and payments made to employees of the Loan Parties and their Restricted Subsidiaries have not been in material violation of the Fair Labor Standards Act or any other applicable Federal, state, local or foreign law dealing with such matters that would be reasonably expected to have a Material Adverse Effect. To the knowledge of the Loan Parties, all payments due from any Loan Party or any of its Restricted Subsidiaries, or for which any material claim may be made against any Loan Party or any of its Restricted 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 Loan Party or such Restricted Subsidiary that would be reasonably expected to have a Material Adverse Effect.

Section 3.18 Federal Reserve Regulations

. No part of the proceeds of any Loan or Letter of Credit has been used, whether directly or indirectly, for any purpose that entails a violation of Regulations T, U or X of the Board.

Section 3.19 Use of Proceeds

. The proceeds of the Loans have been used, whether directly or indirectly as set forth in [Section 5.08](#).

Section 3.20 No Burdensome Restrictions

. No Loan Party is subject to any Burdensome Restrictions except Burdensome Restrictions permitted under [Section 6.10](#).

Section 3.21 Anti-Corruption Laws and Sanctions

. Each Loan Party has implemented and maintains in effect policies and procedures designed to ensure compliance by such Loan Party, its Restricted Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and such Loan Party, its Restricted Subsidiaries and their respective officers and directors and, to the knowledge of such Loan Party, its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (xx) any Loan Party, any of its Restricted Subsidiaries or any of their respective directors or officers, or (xxi) to the knowledge of any Loan Party or any of its Restricted Subsidiaries, any agent or employee of such Loan Party or any of its Restricted Subsidiaries 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. The foregoing representations in this [Section 3.21](#) will not apply to any party hereto to which Council Regulation (EC) 2271/96 (the **Blocking Regulation**) applies, if and to the extent that such representations are or would be unenforceable pursuant to, or would otherwise result in a breach and/or violation of, (1) any provision of the Blocking Regulation (or any law or regulation implementing the Blocking Regulation in any member state of the European Union) or (2) any similar blocking or anti-boycott law in the United Kingdom.

Section 3.22 Affiliate Transactions

. Except as set forth on Schedule 3.22, as of the Effective Date, there are no existing agreements, arrangements, understandings or transactions between any Loan Party and any of the officers, members, managers, directors, equity holders, employees or Affiliates (other than other Loan Parties) of any Loan Party 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 Loan Party (other than other Loan Parties) or any Person with which any Loan Party has a business relationship (other than other Loan Parties) or which competes with any Loan Party.

Section 3.23 Common Enterprise

. The successful operation and condition of each of the Loan Parties is dependent on the continued successful performance of the functions of the group of the Loan Parties as a whole and the successful operation of each of the Loan Parties is dependent on the successful performance and operation of each other Loan Party. Each Loan Party expects to derive benefit (and its board of directors or other governing body has determined that it may reasonably be expected to derive benefit), directly and indirectly, from xxxii successful operations of each of the other Loan Parties and xxxiii the credit extended by the Lenders to the Borrowers hereunder, both in their separate capacities and as members of the group of companies. Each Loan Party has determined that execution, delivery, and performance of this Agreement and any other Loan Documents to be executed by such Loan Party are within its purpose, in furtherance of its direct and/or indirect business interests, will be of direct and/or indirect benefit to such Loan Party, and are in its best interest.

Section 3.24 Qualified ECP Guarantor

. Each U.S. Borrower is a Qualified ECP Guarantor.

Section 3.25 Affected Financial Institutions

. No Loan Party is an Affected Financial Institution.

Section 3.26 Centre of Main Interest and Establishments

. The centre of main interest (as that term is used in Article 3(1) of the Insolvency Regulation) of each UK Borrower is situated in the United Kingdom.

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 (1) 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 fax or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement, (2) 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 fax or other electronic transmission of a signed signature page thereof) that each such party has signed a counterpart of such Loan Document and (3) 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 payable to each such requesting Lender and a written opinion of the Loan Parties' counsel, addressed to the Administrative Agent, the Issuing Banks and the Lenders, all in form and substance reasonably satisfactory to the Administrative Agent.

(b) Financial Statements and Projections. The Lenders shall have received (4) audited consolidated financial statements of the Company and its Subsidiaries for the fiscal year ended December 31, 2017, (5) unaudited interim consolidated financial statements of the Company and its Subsidiaries for the fiscal quarter ended June 30, 2018 and (6) satisfactory projections on a quarterly basis through and including the Company's fiscal year ending December 31, 2018 and on an annual basis through the fiscal year ending December 31, 2022, in a form reasonably satisfactory to the Lenders.

(c) Officer's Certificates; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (7) a certificate of each of the Loan Parties and each Non-Recourse Pledgor, dated the Effective Date and executed by each Loan Party's director, Secretary or Assistant Secretary, which shall (a) certify the resolutions of its board of directors, board of managers, members or other governing 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 specimen signatures of the officers of such Loan Party or Non-Recourse Pledgor authorized to sign the Loan Documents to which it is a party and, in the case of the Company, its Financial Officers, and (c) contain appropriate attachments, including the certificate, memorandum or articles of incorporation, association or organization of each Loan Party and each Non-Recourse Pledgor certified (where customary) by the relevant authority of the jurisdiction of organization or incorporation of such Loan Party or Non-Recourse Pledgor and a true and correct copy of its by-laws or operating, management or partnership agreement, or other organizational, constitutional or governing documents, and (8) (if available in the relevant jurisdiction) a good standing certificate as of a recent date for each Loan Party and each Non-Recourse Pledgor from its jurisdiction of organization or the substantive equivalent available in the jurisdiction of organization for such Loan Party from the appropriate governmental officer in such jurisdiction.

(d) **Closing Certificate.** The Administrative Agent shall have received a certificate, signed by a Financial Officer of each Borrower and each other Loan Party, dated as of the Effective Date (i) stating that no Default has occurred and is continuing, (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), and (iii) demonstrating in reasonable detail that the Borrowers are in compliance with Section 4.01(l).

(e) **Fees.** The Lenders and the Administrative Agent shall have received all fees required to be paid (including such fees in any Fee Letter), and all reasonable, documented and out of pocket expenses for which invoices have been presented (including the reasonable and documented fees and expenses of Vinson & Elkins, LLP, outside legal counsel to the Administrative Agent), 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 Loan Parties and Non-Recourse Pledgors are organized, and such search shall reveal no Liens on any of the assets of the Loan Parties or the Non-Recourse Pledgors 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) **Pay-Off Letters.** The Administrative Agent shall have received satisfactory pay-off letters for all existing Indebtedness to be repaid from the proceeds of the initial Borrowing, confirming that all Liens in connection with such Indebtedness upon any of the property of the Loan Parties constituting Collateral will be terminated concurrently with such payment and all letters of credit issued or guaranteed as part of such Indebtedness shall have been cash collateralized or supported by a Letter of Credit.

(h) **Funding Account.** The Administrative Agent shall have received a written notice setting forth the deposit account(s) of the Borrowers (the "Funding Account") to which the Administrative Agent is authorized by the Borrowers to transfer the proceeds of any Borrowings requested or authorized pursuant to this Agreement.

(i) **Customer List.** The Administrative Agent shall have received a true and complete customer list for each Borrower and its Domestic Subsidiaries, which list shall state the customer's name, mailing address and phone number and shall be certified as true and correct in all material respects by a Financial Officer of the Borrower Representative.

(j) **Solvency.** The Administrative Agent shall have received a solvency certificate of the Loan Parties dated as of the Effective Date signed by a Financial Officer.

(k) **Borrowing Base Certificate.** The Administrative Agent shall have received a Borrowing Base Certificate which calculates the Borrowing Base as of a recent date agreed to between the Borrowers and the Administrative Agent prior to the Effective Date with customary supporting schedules and documentation.

(l) **Closing Availability.** After giving effect to all Borrowings to be made on the Effective Date, the issuance of any Letters of Credit on the Effective Date and the payment of all fees and expenses due hereunder, and with all of the Loan Parties' Indebtedness, liabilities, and obligations current, Availability shall not be less than \$20,000,000.

(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 Secured Parties, 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 to be prior to the Liens of the Administrative Agent in the applicable Collateral), shall have been filed, registered or recorded or immediately upon the closing of this Agreement will be filed, registered or recorded by Administrative Agent.

(n) **Insurance.** The Administrative Agent shall have received evidence of 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.

(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 (whether standalone or pursuant to a master agreement, as applicable). The Borrowers shall have executed the applicable Issuing Bank's master agreement for the issuance of commercial Letters of Credit.

(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 Loan Party.

(q) **Corporate Structure.** The corporate structure, capital structure and other material debt instruments, material accounts and governing documents of the Borrowers and their Restricted Subsidiaries shall be acceptable to the Administrative Agent in its reasonable discretion.

(r) **Field Examination.** The Administrative Agent or its designee shall have conducted a field examination of the Loan Parties' Accounts, Inventory and such other information or materials as the Administrative Agent shall include within the scope of such field examination and audit, all of which shall be in form and substance satisfactory to the Administrative Agent.

(s) **Legal Due Diligence.** The Administrative Agent shall have completed all legal due diligence, the results of which shall be satisfactory to Administrative Agent.

(t) **Appraisals.** The Administrative Agent shall have received appraisals of the Borrowers' Inventory from one or more firms satisfactory to the Administrative Agent, which appraisals shall be satisfactory to the Administrative Agent.

(u) **Perfection Certificate.** The Administrative Agent shall have received an executed copy of the Perfection Certificate.

(v) **USA PATRIOT Act, Etc.** 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 the beneficial ownership regulations (31

CFR §1010.230), for each Loan Party.

(w) Government and Third Party Consents and Approvals. The Administrative Agent shall have received evidence that all consents and approvals, if any, required to be obtained from any Governmental Authority or other Person in connection with the Transactions (including member and shareholder approvals) have been obtained and are in full force and effect.

(x) Term Loan Documents. The Administrative Agent shall have received fully executed copies of the Term Loan Documents, which shall be in form and substance reasonably acceptable to the Administrative Agent and its counsel.

(y) Intercreditor Agreement. The Administrative Agent shall have received a fully executed copy of the Intercreditor Agreement, which shall be in form and substance reasonably acceptable to the Administrative Agent and its counsel.

(z) Legal and Regulatory Matters. All legal (including tax) and regulatory matters shall be satisfactory to the Administrative Agent and the Lenders, including compliance with all applicable requirements of Regulations U, T and X of the Board of Governors of the Federal Reserve System, and the Administrative Agent shall have received a FR U-1 statement properly completed by the Company with respect to any margin stock that is included as Collateral.

(aa) 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. The Administrative Agent shall notify the Borrower Representative, the Lenders and the Issuing Banks of the Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 9.02) at or prior to 2:00 p.m., Chicago time, on September 14, 2018 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

Section 4.02 Each Credit Event

, The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of each 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 Loan Parties and the Non-Recourse Pledgors 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, (9) no Default or Event of Default shall have occurred and be continuing and (10) 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) The making of such Loans or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, shall not be prohibited by, or subject to the Administrative Agent, any Lender or any Issuing Bank to, any penalty or onerous condition under any applicable law.

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) and (c) of this Section 4.02.

Notwithstanding the failure to satisfy the conditions precedent set forth in paragraphs (a) or (b) of this Section 4.02, 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 Loan Party executing this Agreement covenants and agrees, jointly and severally with all of the other Loan Parties, 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) in accordance with then applicable law and not later than ninety (90) days after the end of each fiscal year of the Company, the Company's audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Ernst & Young LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Company and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied; provided that the Borrowers shall be deemed to have furnished said annual audited financial statements for purposes of this Section 5.01(a) if the same shall have timely been made available on "EDGAR" and the Borrowers shall have complied with Section 5.01(l) in respect thereof;

(b) in accordance with then applicable law and not later than forty-five (45) days after the end of each fiscal quarter of the Company, 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 the 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 Company as presenting fairly in all material respects the financial condition and results of operations of the Company 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 that the Borrowers shall be deemed to have furnished said quarterly financial statements for purposes of this Section 5.01(b) if the same shall have timely been made available on "EDGAR" and the Borrowers shall have complied with Section 5.01(l) in respect thereof;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, (i) a schedule or report, in form and substance reasonably satisfactory to the Administrative Agent, detailing the financial condition and results of operations of the Company and its Restricted Subsidiaries after eliminating the assets, liabilities and results of operations of Compressco and (ii) a compliance certificate of a Financial Officer of the Company in substantially the form of Exhibit C (A) certifying, in the case of the financial statements delivered under clause (b), that such statements present fairly in all material respects the financial condition and results of operations of the Company 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, (B) 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, (C) setting forth reasonably detailed calculations of the Fixed Charge Coverage Ratio for the fiscal quarter most recently ended and an indication of the Applicable Rate as a result of such calculation, (D) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited financial statements most recently delivered pursuant to clause (a) above and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate, (E) setting forth a reasonably detailed calculation showing compliance with clause (iii) to the proviso to Section 6.04(c), and (F) certifying that the schedule or report delivered pursuant to clause (i) above is true and correct in all material respects;

(d) within ninety (90) days after the end of each fiscal year of the Company, (commencing with the fiscal year ending December 31, 2018), its internally-prepared consolidating financial statements reconciling the financial condition of its Restricted Subsidiaries and Unrestricted Subsidiaries, in a format reasonably acceptable to the Administrative Agent, certified by a Financial Officer of the Company as presenting fairly in all material respects the financial condition and results of operations of the Restricted Subsidiaries and Unrestricted Subsidiaries of the Company in accordance with GAAP;

(e) within sixty (60) days after the end of each fiscal year of the Company, but in any event not more than sixty (60) days prior to the end of the previous fiscal year of the Company, a copy of the plan and forecast (including a projected consolidated and consolidating balance sheet, income statement and cash flow statement) of the Company and its Restricted Subsidiaries for quarter 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-five (25) days following the end of each calendar month, and at such other times as may be reasonably necessary to re-determine Availability or as may be reasonably 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 a Weekly Reporting 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-five (25) days following the end of each calendar month and at such other times as may be reasonably 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 Borrowers' Accounts, including all invoices aged by invoice date and due date (with an explanation of 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 Borrowers' 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, warehouse agreement or other arrangement, as applicable), by class (raw material, work-in-process and finished goods), by product type, and by volume on hand, which Inventory shall be valued at the lower of cost or market value, determined on a first in, first out basis and adjusted for 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 Borrowers since the last Inventory schedule (including information regarding sales or other reductions, additions, returns or credits issued by the applicable Borrower);

(iii) a worksheet of calculations prepared by the Borrowers to determine Eligible Accounts and Eligible Inventory, such worksheets detailing the Accounts and Inventory excluded from Eligible Accounts and Eligible Inventory and the reason for such exclusion; and

(iv) a reconciliation of the Borrowers' Accounts and Inventory between (C) the amounts shown in the applicable Borrower's general ledger and financial statements and the reports delivered pursuant to clauses (i) and (ii) above and (d) the amounts and dates shown in the reports delivered pursuant to clauses (i) and (ii) above and

the Borrowing Base Certificate delivered pursuant to clause (g) above as of such date;

provided, that at any time a Weekly Reporting Period exists, the Administrative Agent, in its sole discretion, may require delivery of the information required by this clause (f) weekly within three (3) Business Days after the end of each calendar week;

(h) as soon as available but in any event within twenty-five (25) days following the end of each calendar month and at such other times as may be reasonably requested by the Administrative Agent, as of the month then ended, a schedule and aging of the Borrower's accounts payable, delivered electronically in a text formatted file acceptable to the Administrative Agent; provided, that at any time a Weekly Reporting Period exists, the Administrative Agent, in its sole discretion, may require delivery of the information required by this clause (h) weekly within three (3) Business Days after the end of each calendar week;

(i) as soon as available but in any event within thirty (30) days following the end of each six month period ending June 30 and December 31, and at such other times as may be reasonably requested by the Administrative Agent, an updated customer list for each Borrower and its Restricted 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 reasonable request:

(i) copies of invoices issued by the Borrowers in connection with any Accounts, field tickets, bid proposals, 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 purchased by any Loan Party; and

(iii) a schedule detailing the balance of all intercompany accounts of the Loan Parties;

(k) as soon as available but in any event within twenty (20) days following the end of each calendar month and at such other times as may be reasonably requested by the Administrative Agent, as of the period then ended, each Borrower's sales journal, cash receipts journal (identifying trade and non-trade cash receipts) and debit memo/credit memo journal; provided that, at any time a Weekly Reporting Period exists, the Administrative Agent, in its sole discretion, may require delivery of the information required by this clause (5) weekly within three (3) Business Days after the end of each calendar week;

(l) promptly after the same become publicly available (whether on "EDGAR" or otherwise), copies of all periodic and other reports, proxy statements and other materials filed by the Company with the SEC, or any Governmental Authority succeeding to any or all of the functions of the SEC (or comparable agency in any applicable non-U.S. jurisdiction), or with any national securities exchange, or distributed by the Company to its shareholders generally, as the case may be;

(m) promptly after any request therefor by the Administrative Agent or any Lender, and not more frequently than once per calendar year copies of (11) any documents described in Section 101(k)(1) of ERISA that any Borrower or any ERISA Affiliate may request with respect to any Multiemployer Plan and (12) any notices described in Section 101(l)(1) of ERISA that any Borrower or any ERISA Affiliate may request with respect to any Multiemployer Plan; provided that if a Borrower or any ERISA Affiliate has not requested such documents or notices from the administrator or sponsor of the applicable Multiemployer Plan, the applicable Borrower or the applicable ERISA Affiliate shall promptly make a request for such documents and notices from such administrator or sponsor and shall provide copies of such documents and notices promptly after receipt thereof;

(n) promptly following any reasonable request therefor, provide 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, without limitation, the PATRIOT Act and the Beneficial Ownership Regulation; and

(o) promptly following any request therefor, such other information regarding the operations, material changes in ownership of Equity Interests, business affairs and financial condition of any Loan Party or any of its Subsidiaries, or compliance with the terms of this Agreement, as the Administrative Agent or any Lender may reasonably request.

Section 5.02 Notices of Material Events

The Borrowers 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;

(b) receipt of any written notice of any investigation by a Governmental Authority or any litigation or legal proceeding commenced or threatened in writing against any Loan Party, any Non-Recourse Pledgor or any of its Restricted Subsidiaries that (i) seeks damages in excess of \$15,000,000 not covered by insurance, (ii) seeks injunctive relief, (iii) is asserted or instituted against any Plan, its fiduciaries or its assets, (iv) alleges criminal misconduct constituting a felony by any Loan Party, any Non-Recourse Pledgor or any Restricted Subsidiary, (v) alleges the material violation of, or seeks to impose remedies under, any Environmental Law or related Requirement of Law, or seeks to impose any material Environmental Liability, (vi) asserts liability on the part of any Loan Party, any Non-Recourse Pledgor or any Restricted Subsidiary in excess of \$15,000,000 in respect of any tax, fee, assessment, or other governmental charge, or (vii) involves any product recall;

(c) any Lien (other than Liens permitted pursuant to Section 6.02) or claim made or asserted against any of the Collateral;

- (d) any loss, damage, or destruction to the Collateral in the amount of \$1,000,000 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 in value in excess of \$2,500,000 in the aggregate is located;
- (f) all material amendments to and terminations of any Material Indebtedness or any of the agreements listed on Schedule 3.12, if any, together with a copy of each such amendment or termination;
- (g) within five (5) Business Days after the occurrence thereof, any Loan Party 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 the Loan Parties and their Restricted Subsidiaries in an aggregate amount exceeding \$5,000,000; and
- (i) any other development that results, or could reasonably be expected to result, in a Material Adverse Effect.

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 a reasonable summary 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 Loan Party will, and will cause each Restricted Subsidiary and each Non-Recourse Pledgor to, xxxiv) do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence 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, the rights, qualifications, licenses, permits, franchises, governmental authorizations, intellectual property rights, licenses and permits material to the conduct of its business, (b) except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03, and (c) carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted, and businesses reasonably related thereto.

Section 5.04 Payment of Obligations

. Each Loan Party will, and will cause each Restricted Subsidiary and each Non-Recourse Pledgor to, pay or discharge all Material Indebtedness and all other material liabilities and obligations, including all federal and state and all other material Taxes, before the same shall become delinquent or in default, except where xxxv) the validity or amount thereof is being contested in good faith by appropriate proceedings, xxxvi) such Loan Party, Non-Recourse Pledgor or such Restricted Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP (or, in the case of the UK Borrowers, generally accepted accounting principles in the UK) and xxxvii) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect; provided, however, that each Loan Party will, and will cause each of its Restricted Subsidiaries to, remit taxes withheld from employees' wages 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 Loan Party will, and will cause each Restricted Subsidiary to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted provided that this Section shall not prevent the Loan Parties or any Restricted Subsidiary from discontinuing the operation and maintenance of certain of its properties if such discontinuance is desirable in the conduct of its business and could not reasonably be expected to have a Material Adverse Effect.

Section 5.06 Books and Records; Inspection Rights; Field Examinations

- (a) Each Loan Party will, and will cause each Restricted Subsidiary to, (1) keep proper books of record and account in which full, true and correct entries in all material respects are made of all dealings and transactions in relation to its business and activities and (2) permit any representatives designated by the Administrative Agent or any Lender (including employees of the Administrative Agent, any Lender or any consultants, accountants, lawyers, agents, field examiners and appraisers retained by the Administrative Agent), upon reasonable prior notice and during normal business hours, to visit and inspect its 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 to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours and as often as reasonably requested. 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 such Loan Party's assets for internal use by the Administrative Agent and the Lenders. Notwithstanding anything to the contrary in this Section 5.06, subject to Section 9.12, none of the Borrowers nor any Subsidiary shall be required to disclose, permit the inspection, examination or making copies or abstracts of any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information (except following an Event of Default in connection with the enforcement, collection or protection of the Administrative Agent's and the Lenders' rights in connection with the Loan Documents, but subject at all times to Section 9.12), (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by any Requirement of Law or contractual obligation or (iii) is subject to attorney-client or similar privilege or constitutes attorney work-product; provided that subclause (i) above and this subclause (iii) shall not prevent or excuse the Loan Parties from delivering any notices required to be delivered pursuant to Section 5.02.

(b) The Loan Parties shall be responsible for the costs of expenses of one (1) field examination during any 12-month period and one (1) additional field examination (for the total of two (2) such field examinations during any 12-month period) conducted at any time after Availability falls below the greater of (i) \$20,000,000 and (ii) 25% of the lesser of the Borrowing Base and the Commitments; provided, the Loan Parties shall be responsible for the costs and expenses of all field examinations conducted while an Event of Default has occurred and is continuing; provided, further, that field examinations conducted in connection with a Borrower designation pursuant to Section 5.17 shall be disregarded for purposes of the limitation with respect to the Loan Parties reimbursement obligations set forth in this Section 5.06(b).

Section 5.07 Compliance with Laws and Material Contractual Obligations

Each Loan Party will, and will cause each Restricted Subsidiary and each Non-Recourse Pledgor to, xxxviii) comply in all material respects with each Requirement of Law applicable to it or its property (including Environmental Laws, Anti-Corruption Laws and Sanctions) and xxxix) perform its obligations under Material Contracts and other written 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 Restricted Subsidiaries, the Non-Recourse Pledgors 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 refinance certain indebtedness of the Loan Parties existing on the Effective Date, finance expenses incurred in connection with the Transactions and for working capital needs, capital expenditures and other general corporate purposes, including, without limitation, to finance Permitted Acquisitions, 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 Regulations T, U or X of the Board.

(b) No Borrower 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, directly or to the Loan Parties' knowledge, indirectly, the proceeds of any Borrowing or Letter of Credit (1) 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, (2) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent that such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the U.S., the UK or the European Union, or (3) in any manner that would result in the violation of any Sanctions applicable to any party hereto. The foregoing clauses (ii) and (iii) of this Section 5.08 will not apply to any party hereto to which the Blocking Regulation applies, if and to the extent that such representations are or would be unenforceable pursuant to, or would otherwise result in a breach and/or violation of, (x) any provision of the Blocking Regulation (or any law or regulation implementing the Blocking Regulation in any member state of the European Union) or (y) any similar blocking or anti-boycott law in the United Kingdom.

(c) No Loan Party will use the proceeds of any Loans to make any payment of the Swiftwater Earnout unless no Default or Event of Default exists immediately before or after giving pro forma effect to such payment.

Section 5.09 Accuracy of Information

The Loan Parties 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 (when taken as a whole) contains no material misstatement of fact or omits to state any material fact (other than industry-wide risks normally associated with the types of businesses conducted by the Loan Parties) necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as of the date made or deemed made, and the furnishing of such information shall be deemed to be a representation and warranty by the Borrowers on the date thereof as to the matters specified in this Section 5.09; provided that, with respect to projected financial information, the Loan Parties 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 Loan Party will, and will cause each Restricted Subsidiary to, maintain with financially sound and reputable carriers having a financial strength rating of at least A- by A.M. Best Company insurance in such amounts (with no greater risk retention) and against such risks 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. The Borrowers will furnish to the Lenders, upon request of the Administrative Agent, information in reasonable detail as to the insurance so maintained. The Loan Parties will, and will cause each Restricted Subsidiary to, 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 Borrowers will xli) 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 xlii) to the extent applicable, 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, each Loan Party will, and will cause each of its Restricted Subsidiaries to, provide the Administrative Agent with appraisals or updates thereof of its Inventory from an appraiser selected and engaged by the Administrative Agent, and prepared on a basis satisfactory to the Administrative Agent, such appraisals and updates to include, without limitation, information required by any applicable Requirement of Law. If no Event of Default has occurred and is continuing, the Loan Parties shall be responsible for the costs and expenses of (1) one appraisal during any twelve (12) month period or (2) up to two appraisals during any twelve (12) month period during which Availability falls below the greater of (x) \$20,000,000 and (y) 25% of the lesser of the Borrowing Base and the Commitments at any time during such period. Additionally, there shall be no limitation on the number or frequency of Inventory appraisals if an Event of Default has occurred and is continuing, and the Loan Parties shall be responsible for the costs and expenses of any such appraisals conducted while an Event of Default has occurred and is continuing.

Section 5.13 Depository Banks

(a) Each U.S. Borrower and each Restricted Subsidiary that is not a UK Borrower will maintain one or more of the Lenders as its principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity and other deposit accounts for the conduct of its business; provided that such Borrowers and Restricted Subsidiaries may maintain Excluded Deposit Accounts (as defined in the U.S. Security Agreement) subject to the limitations and requirements of the U.S. Security Agreement.

(b) The UK Borrowers will within forty-five (45) days of the Second Amendment Effective Date (or such longer period as is acceptable to the Administrative Agent in its reasonable discretion): (i) maintain the Administrative Agent and/or one or more of its Affiliates as its principal depository bank, including for the maintenance of operating, administrative, cash management, collection activity, and other deposit accounts for the conduct of its business, and (ii) close all of their deposit accounts that are maintained with banks other than the Administrative Agent, the Lenders and their respective Affiliates.

Section 5.14 Additional Collateral; Further Assurances

(a) Subject to applicable Requirement of Law, the Borrowers and each of their Restricted Subsidiaries will cause each Material Domestic Subsidiary that is not an Unrestricted Subsidiary formed or acquired after the date of this Agreement and any Person (other than an Unrestricted Subsidiary) that otherwise becomes a Material Domestic Subsidiary after the date of this Agreement to become either (i) a Loan Guarantor or (ii) a Loan Guarantor and a Borrower, as elected by the Borrowers, by executing a Joinder Agreement and an assumption agreement to the applicable Security Agreement in substantially the form attached as an annex thereto within thirty (30) days of such formation or acquisition or of such Person otherwise becoming a Material Domestic Subsidiary (or such later date as the Administrative Agent may agree in its sole discretion). Upon execution and delivery thereof, each such Person (A) shall automatically become either (x) a Loan Guarantor or (y) a Loan Guarantor and a Borrower, as applicable, hereunder and thereupon shall have all of the rights, benefits, duties, and obligations in such capacity under the Loan Documents and (B) will grant Liens to the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties, in any property of such Loan Party which constitutes Collateral; provided that if such Person is to become a Borrower, the requirements of Section 5.17 shall have been satisfied.

(b) Subject to the Intercreditor Agreement, each U.S. Loan Party will cause (i) 100% of the issued and outstanding Equity Interests of each of its Domestic Subsidiaries (other than subsidiaries of CSI Compressco LP) owned by such U.S. Loan Party 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 any U.S. Loan Party or any of their Domestic Subsidiaries (other than subsidiaries of CSI Compressco LP), in each case, to be subject at all times to a 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) [Reserved].

(d) Subject to the Intercreditor Agreement (and in the case of a UK Borrower the Collateral Documents to which it is a party), each Loan Party will, and will cause each of its Restricted Subsidiaries to, execute and deliver, or cause to be executed and delivered, to the Administrative Agent such documents, agreements and instruments, and will 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 in form and substance reasonably satisfactory to the Administrative Agent and all at the expense of the Loan Parties.

(e) To the extent any real property is included in the Collateral, each Loan Party will, and will cause each Subsidiary to, execute and/or deliver, as applicable, 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 all applicable Flood Laws. Prior to signing by the Loan Parties of any mortgage or deed of trust (other than any Collateral Document to which a UK Borrower is a party) to secure the Secured Obligations, the applicable Loan Parties and the Administrative Agent shall have provided each Regulated Lender Entity requesting the same a copy of the life of loan flood zone determination relative to the 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).

(f) If any material assets (excluding any real property and any other Excluded Assets) are acquired by any Loan Party after the Effective Date (other than assets constituting Collateral under a Security Agreement or any other Collateral Document that become subject to the Lien under a Security Agreement or such other Collateral Document upon acquisition thereof), the Borrower Representative will (3) 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 applicable Secured Obligations and (4) take, and cause each applicable Loan Party 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 5.14, all at the expense of the Loan Parties.

(g) Notwithstanding any provision in any of the Loan Documents to the contrary, in no event shall (i) any Collateral owned by any UK Borrower be deemed to constitute collateral security for, or (ii) any UK Borrower be deemed to be a guarantor or other surety of, in either case, any of the U.S. Secured Obligations.

Section 5.15 Designation and Conversion of Restricted and Unrestricted Subsidiaries

:Covenants With Respect to Unrestricted Subsidiaries.

(a) Unless designated as an Unrestricted Subsidiary in accordance with Section 5.15(b), any Person (other than Compressco or any future subsidiaries of Compressco) that becomes a Subsidiary of the Company or any of its Restricted Subsidiaries shall be classified as a Restricted Subsidiary.

(b) The Borrower Representative may designate, by written notification thereof to the Administrative Agent, any Restricted Subsidiary, including a newly formed or newly acquired Subsidiary, as an Unrestricted Subsidiary if (i) prior, and immediately after giving effect, to such designation (including after giving effect to the reclassification of any investmentsInvestments in, Indebtedness of, and/or Liens on the assets of, such Subsidiary), no Default or Event of Default exists, (ii) such designation is deemed to be an investmentInvestment in an Unrestricted Subsidiary in an amount equal to the fair market value as of the date of such designation of the Company's direct and indirect ownership interest in such Subsidiary and such investmentInvestment would be permitted to be made at the time of such designation under Section 6.04, (iii) immediately after giving effect to such designation, the Aggregate Revolving Exposure shall not exceed the lesser of (x) the aggregate Commitments of the Lenders and (y) the Borrowing Base (after giving effect to the removal from the Borrowing Base of any of such Restricted Subsidiary's Accounts or Inventory which were included in the Borrowing Base immediately prior to such designation), and (iv) such Subsidiary is not a "restricted subsidiary" or guarantor with respect to the Specified Term Indebtedness. Except as provided in this Section 5.15(b), no Restricted Subsidiary may be designated or redesignated as an Unrestricted Subsidiary.

(c) The Borrower Representative may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if after giving effect to such designation, (i) the representations and warranties of the Loan Parties and such Restricted Subsidiary contained in each of the Loan Documents with respect to such Restricted Subsidiary are true and correct in all material respects on and as of such date as if made on and as of the date of such redesignation (or, if stated to have been made expressly as of an earlier date, were true and correct as of such date), (ii) no Default would be caused by such designation, and (iii) the applicable Loan Party and such Restricted Subsidiary each comply with the requirements under Section 5.14, at which time such Subsidiary shall cease to be an "Unrestricted Subsidiary" and shall become a "Restricted Subsidiary" for purposes of this Agreement and the other Loan Documents without any amendment, modification or other supplement to any of the foregoing. Any such designation shall be treated as a recovery of the applicable Loan Party's investmentInvestment in such Unrestricted Subsidiary in an amount equal to the lesser of the fair market value at such time of the applicable Loan Party's direct and indirect ownership interest in such Subsidiary or the amount of the applicable Loan Party's investmentInvestment previously made in (and not previously recovered from) such Unrestricted Subsidiary.

(d) The Loan Parties:

(i) will cause the management, business and affairs of the Company and its Restricted Subsidiaries to be conducted in such a manner (including, without limitation, by keeping separate books of account, furnishing separate balance sheets and income statements of Unrestricted Subsidiaries to creditors and potential creditors thereof (to the extent required hereunder) and by not permitting properties of Unrestricted Subsidiaries to be commingled with those of the Loan Parties) so that each Unrestricted Subsidiary will be treated as an entity separate and distinct from the Company and its Restricted Subsidiaries;

(ii) will cause each Unrestricted Subsidiary to refrain from maintaining its assets in such a manner that would make it costly or difficult to segregate, ascertain or identify its individual assets from those of any other Loan Party;

(iii) will not, and will not permit any other Loan Party to, incur, assume, guarantee or be or become liable for any Indebtedness of any of the Unrestricted Subsidiaries except to the extent permitted by this Agreement; and

(iv) the Loan Parties will not permit any Unrestricted Subsidiary to hold any Equity Interest in, or any Indebtedness of, any Loan Party or any Restricted Subsidiary.

Section 5.16 Reserved

Section 5.17 Designation of Additional Borrowers

. The Borrower Representative may designate, by written notification thereof to the Administrative Agent, any Restricted Subsidiary formed or acquired after the date of this Agreement or any existing Loan Guarantor as a Borrower hereunder and such Subsidiary shall become a Borrower hereunder upon:

(a) execution and delivery by such Restricted Subsidiary of each of the following, which shall be in form and substance reasonably satisfactory to the Administrative Agent:

(i)

(A) if the applicable Restricted Subsidiary is a Loan Guarantor immediately prior to such designation, a Borrower Assumption Agreement in substantially the form of Exhibit D-2 (it being understood and agreed that changes thereto may be necessary in connection with the designation of a UK Borrower); or

(B) if the applicable Restricted Subsidiary is not a Loan Guarantor immediately prior to such designation, a Joinder Agreement pursuant to which the Restricted Subsidiary agrees to become both a Borrower and a Loan Guarantor;

(ii) a certificate of such Subsidiary, executed by such Subsidiary's Secretary or Assistant Secretary or other comparable officer, which shall certify the resolutions of its board of directors, board of managers, members or other governing body authorizing the execution, delivery and performance of the Borrower Assumption Agreement or Joinder Agreement referred to in clause (a)(i) above and the performance of its obligations under the Loan Documents as a Borrower;

(iii) legal opinions and other documents consistent with those delivered by the existing Borrowers on the Effective Date, to the extent requested by the Administrative Agent;

(b) the Administrative Agent and the Lenders receipt of 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 the beneficial ownership regulations (31 CFR §1010.230), for such Subsidiary; and

(c) the Administrative Agent shall have received confirmation from each Regulated Lender Entity that it has completed its compliance procedures with respect to all applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and the beneficial ownership regulations

(31 CFR §1010.230), for such Subsidiary (such confirmation not to be unreasonably withheld, conditioned or delayed, and shall be delivered promptly upon such completion by the applicable Regulated Lender Entity).

Section 5.18 UK Borrower Cash Management Provisions

(a) Subject to clause (d) of this Section 5.18, the UK Borrowers will ensure that all of the proceeds of their Accounts are deposited (whether directly or indirectly) into segregated Collection Accounts (which Collection Accounts shall be located in England, Luxembourg or any other jurisdiction satisfactory to the Administrative Agent in its Permitted Discretion), in a manner that is satisfactory to the Administrative Agent which Collection Accounts, for the avoidance of doubt, shall not be used for general payment purposes, except prior to forty-five (45) days after the Second Amendment Effective Date (or such longer period as agreed by Administrative Agent) when such Collection Accounts may be used for payment purposes.

(b) Subject to clause (d) of this Section 5.18, the Administrative Agent shall be given sufficient access to each relevant Collection Account to ensure that the provisions of Section 2.10(b) are capable of being complied with.

(c) Subject to clause (d) of this Section 5.18, the UK Borrowers will ensure that each of its Collection Accounts is subject to a Deposit Account Control Agreement or other equivalent arrangement with similar effect.

(d) Within forty-five (45) days after the Second Amendment Effective Date (or such longer period as agreed by Administrative Agent) to the extent not completed on or prior to the Second Amendment Effective Date, each UK Borrower shall provide to the Administrative Agent (i) duly executed Deposit Account Control Agreements evidencing Administrative Agent's exclusive control over such Collection Accounts or other equivalent arrangement with similar effect or otherwise satisfactory to the Administrative Agent, (ii) English law security duly executed by such UK Borrower creating a valid and enforceable first ranking fixed charge over such Collection Accounts located in England and all Accounts owed to such UK Borrower, (iii) the Luxembourg Account Pledge creating a valid and enforceable first ranking pledge over such Collection Accounts located in Luxembourg and (iv) such further documents, authorizing resolutions and legal opinions as the Administrative Agent may reasonably require in connection with the completion, registration, perfection or enforceability of such further security.

Section 5.19 Notification of Account Debtors

. At any time at the request of the Administrative Agent in its sole discretion during the continuance of any Event of Default, the UK Borrowers agree that if any of its Account Debtors have not previously received notice of the security interest of the Administrative Agent over its Accounts, it shall promptly give notice to such Account Debtors, and if any such UK Borrower does not serve such notice, each of them hereby authorizes the Administrative Agent to serve such notice on its behalf.

Section 5.20 Financial Assistance

. Subject to the Legal Reservations, each UK Borrower shall comply in all respects with applicable legislation governing financial assistance and/or capital maintenance, including sections 678-679 of the United Kingdom's Companies Act 2006 or any equivalent and applicable provisions under the laws of the jurisdiction of organization of each UK Borrower, including in relation to the execution of the Collateral Documents and payments of amounts due under this Agreement.

ARTICLE VI

NEGATIVE COVENANTS

Until all of the Secured Obligations have been Paid in Full, each Loan Party executing this Agreement covenants and agrees, jointly and severally with all of the other Loan Parties, with the Lenders that:

Section 6.01 Indebtedness

1. No Loan Party will, nor will it permit any Restricted 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 any extensions, renewals, refinancings and replacements of any such Indebtedness in accordance with clause (f) hereof;
- (c) Indebtedness of any Borrower owed to any Restricted Subsidiary and of any Restricted Subsidiary owed to any Borrower or any other Restricted Subsidiary, provided that (i) Indebtedness of any Restricted Subsidiary that is not a Loan Party owed to any Borrower or to any other Loan Party shall be subject to Section 6.04 and (ii) Indebtedness of any Loan Party owed to any Restricted Subsidiary that is not a Loan Party shall be subordinated to the Secured Obligations pursuant to the Master Intercompany Note or otherwise on terms reasonably satisfactory to the Administrative Agent;
- (d) Guarantees by any Borrower of Indebtedness of any Restricted Subsidiary and by any Restricted Subsidiary of Indebtedness of any Borrower or any other Restricted Subsidiary, provided that (5) the Indebtedness so Guaranteed is permitted by this Section 6.01, (6) Guarantees by any Borrower or any other Loan Party of Indebtedness of any Restricted Subsidiary that is not a Loan Party shall be subject to Section 6.04 and (7) Guarantees permitted under this clause (d) shall be subordinated to the Secured Obligations on the same terms as the Indebtedness so Guaranteed is subordinated to the Secured Obligations;
- (e) Indebtedness of any Borrower or any Restricted Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets (specifically not including Accounts or Inventory) 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 outstanding pursuant to this clause (e) shall not exceed \$30,000,000 at any time;
- (f) Indebtedness which represents extensions, renewals, refinancing or 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), (e), (i), (j) and (k) hereof (such Indebtedness being referred to herein as the "**Original Indebtedness**"); provided that (8) such Refinance Indebtedness does not increase the principal amount or interest rate of the Original Indebtedness, (9) any Liens securing such Refinance Indebtedness are not extended to any additional property of any Loan Party or any Restricted Subsidiary, (10) no Loan Party or any Restricted Subsidiary that is not originally obligated with respect to repayment of such Original Indebtedness is required to become obligated with respect to such Refinance Indebtedness, (11) such Refinance Indebtedness does not result in a shortening of the average weighted maturity of such Original Indebtedness, (12) the terms of such Refinance Indebtedness other than fees and interests are not less favorable to the obligor thereunder than the original terms of such Original Indebtedness and (13) 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 Restricted Subsidiary after the date hereof; provided that (14) such Indebtedness exists at the time such Person becomes a Restricted Subsidiary and is not created in contemplation of or in connection with such Person becoming a Restricted Subsidiary and (15) 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 \$25,000,000 at any time outstanding;
- (j) other unsecured Indebtedness, so long as the aggregate principal amount of Indebtedness outstanding pursuant to this clause (j) shall not exceed \$50,000,000 at any time;
- (k) Indebtedness arising under the Term Loan Agreement as in effect on the Second Amendment Effective Date or as further amended in accordance with the Intercreditor Agreement; provided, that (i) such Indebtedness is subject to the Intercreditor Agreement and (ii) the aggregate principal amount of all such Indebtedness arising under this clause (k) of this Section 6.01 shall not exceed \$275,000,000 at any time outstanding (such Indebtedness, the "**Specified Term Indebtedness**");
- (l) unsecured Indebtedness of any Loan Party pursuant to Swap Agreements permitted by Section 6.07 entered into for non-speculative purposes;
- (m) Capital Lease Obligations incurred by any Borrower or any Restricted Subsidiary in respect of any Sale and Lease Back Transaction that is permitted under Section 6.06;

- (n) Subordinated Indebtedness and Refinance Indebtedness in respect thereof in an aggregate principal amount not exceeding \$50,000,000 at any time outstanding;
- (o) Indebtedness of Foreign Subsidiaries and Refinance Indebtedness in respect thereof; provided that, the aggregate outstanding principal amount of Indebtedness permitted pursuant to this clause (o) (excluding any intercompany Indebtedness of such Foreign Subsidiaries permitted hereunder) shall not exceed \$25,000,000;
- (p) Indebtedness consisting of a purchase price or similar adjustment which is incurred by any Borrower or its Restricted Subsidiaries in connection with any Disposition permitted under this Agreement;
- (q) endorsements of negotiable instruments for collection in the ordinary course of business;
- (r) Indebtedness assumed or acquired in connection with any Acquisition permitted under this Agreement in an aggregate amount not in excess of \$10,000,000 at any time outstanding, if such Indebtedness was not incurred in contemplation of such Acquisition; and
- (s) Indebtedness of Foreign Subsidiaries of the Company (other than any UK Borrower) for working capital or other general corporate purposes in an aggregate principal amount not to exceed \$20,000,000 at any one time outstanding.

Section 6.02 Liens

No Loan Party will, nor will it permit any Restricted Subsidiary or any Non-Recourse Pledgor 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) or rights in respect of any thereof, except:

- (a) Liens securing any or all of the Secured Obligations and any other Liens created pursuant to any Loan Document;
- (b) Permitted Encumbrances;
- (c) any Lien on any property or asset of any Borrower or any Restricted Subsidiary existing on the date hereof and set forth in Schedule 6.02; provided that (16) such Lien shall not apply to any other property or asset of such Borrower or any Restricted Subsidiary and (17) 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 other than the amount of premiums paid thereon and the fees and expenses incurred in connection therewith;
- (d) Liens on fixed or capital assets (but specifically not including Accounts or Inventory) acquired, constructed or improved by any Borrower or any Restricted Subsidiary; provided that (18) such Liens secure Indebtedness permitted by clause (e) of Section 6.01, (19) 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, (20) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such fixed or capital assets and (21) such Liens shall not apply to any other property or assets of any Borrower or any Restricted Subsidiary;
- (e) any Lien existing on any property or asset (other than Accounts and Inventory) prior to the acquisition thereof by any Borrower or any Restricted Subsidiary or existing on any property or asset (other than Accounts and Inventory) of any Person that becomes a Loan Party after the date hereof prior to the time such Person becomes a Loan Party; provided that (22) 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, (23) such Lien shall not apply to any other property or assets of the Loan Party and (24) 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 other than the amount of premiums paid thereon, and the fees and expenses incurred in connection therewith;
- (f) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 of the UCC 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 securing the Specified Term Indebtedness subject to the terms and conditions of the Intercreditor Agreement;
- (i) any interest or title of, or Liens created by, a lessor under any leases or subleases entered into by any Borrower or any Restricted Subsidiary, as tenant, in the ordinary course of business;
- (j) Liens that are contractual rights of set-off existing solely with respect to cash and cash equivalents (25) relating to the establishment of depository relations with banks or securities intermediaries not given in connection with the issuance of Indebtedness or (26) relating to pooled deposit or sweep accounts of any Borrower or any Restricted Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of any Borrower and any Restricted Subsidiary;
- (k) licenses of intellectual property granted in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of any Borrower or any Restricted Subsidiary;
- (l) Liens solely on any cash earnest money deposits made by any Borrower or any Restricted Subsidiary in connection with any letter of intent or purchase agreement in respect of any investment permitted hereunder;

- (m) Liens securing Indebtedness incurred pursuant to Section 6.01(g); provided that such Liens do not extend to or encumber any assets that constitute Collateral;
- (n) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;
- (o) Liens on and pledges of the Equity Interests of any Unrestricted Subsidiary;
- (p) Lien securing Indebtedness incurred pursuant to Section 6.01(s); provided that such Liens do not extend to or encumber any assets that constitute Collateral; and
- (q) other Liens not otherwise permitted under clauses (a) through (p) of this Section 6.02, so long as (i) the aggregate principal amount of all Indebtedness secured under this clause (q) shall not exceed \$20,000,000 in the aggregate at any time and (ii) such Liens do not apply to any Accounts or Inventory of the Loan Parties.

Notwithstanding the foregoing, none of the Liens permitted pursuant to this Section 6.02 may at any time attach to (i) any Loan Party's (A) Accounts, other than those permitted under clause (a) of the definition of Permitted Encumbrances and clauses (a) and (h) above and (B) Inventory, other than those permitted under clauses (a) and (b) of the definition of Permitted Encumbrances and clauses (a) and (h) above or (ii) any Non-Recourse Pledgor's Compressco Units other than those permitted under clause (a) of the definition of Permitted Encumbrances and clause (a) and (h) of this Section 6.02.

Section 6.03 Fundamental Changes

.xlii) No Loan Party will, nor will it permit any Restricted Subsidiary to, merge into or consolidate with any other Person, or permit any other Person to 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 (1) any Restricted Subsidiary or other Person may merge into any Loan Party in a transaction in which such Loan Party is the surviving entity (or if a Borrower is a party to such merger, than such Borrower shall be the surviving entity), (2) any U.S. Loan Party (other than a Borrower) may merge into any other U.S. Loan Party in a transaction in which the surviving entity is a Loan Party, (3) any UK Borrower may merge into any other UK Borrower in a transaction in which the surviving entity is a UK Borrower, (4) any Restricted Subsidiary that is not a Loan Party may merge into another Restricted Subsidiary that is not a Loan Party and (5) any Restricted Subsidiary that is not a Loan Party may liquidate or dissolve if the Borrower which owns such Restricted Subsidiary determines in good faith that such liquidation or dissolution is in the best interests of such Borrower 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.

- (a) No Loan Party will, nor will it permit any Restricted Subsidiary to, engage to any material extent in any business other than businesses of the type conducted by the Borrowers and their Subsidiaries on the date hereof and businesses reasonably related thereto.
- (b) No Loan Party will, nor will it permit any Restricted Subsidiary to, change its fiscal year from the basis in effect on the Effective Date.
- (c) No Loan Party will change the accounting basis upon which its financial statements are prepared except as permitted or required by GAAP (or, in the case of the UK Borrowers, generally accepted accounting principles in the UK).
- (d) No Loan Party will, nor will it permit any Restricted Subsidiary to, consummate a Division as the Dividing Person, without the prior written consent of Administrative Agent. Without limiting the foregoing, if any Loan Party that is a limited liability company consummates a Division (with or without the prior consent of Administrative Agent as required above), each Division Successor shall be required to comply with the obligations set forth in Section 5.14 and the other further assurances obligations set forth in the Loan Documents and become a Loan Party under this Agreement and the other Loan Documents.

Section 6.04 Investments, Loans, Advances, Guarantees and Acquisitions

. No Loan Party will, nor will it permit any Restricted 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 evidence 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) (each of the foregoing, an "Investment"), except:

- (a) Permitted Investments, subject to control agreements in favor of the Administrative Agent for the benefit of the applicable Secured Parties or otherwise subject to a perfected security interest in favor of the Administrative Agent for the benefit of the applicable Secured Parties;
- (b) (i) Investments in existence on the Effective Date and (ii) Investments described in Schedule 6.04;
- (c) Investments by the Borrowers and the Restricted Subsidiaries in Equity Interests in their respective Restricted Subsidiaries, provided that (i) any such Equity Interests held by a Loan Party, subject to the Intercreditor Agreement, shall be pledged pursuant to a Security Agreement (subject to the limitations applicable to Equity Interests of a Foreign Subsidiary referred to in Section 5.14), (ii) no such Investment by any Borrower or any other Loan Party in a Restricted Subsidiary that is not a Loan Party shall exceed \$1,000,000 individually, (iii) no such Investment by any Borrower or any other Loan Party shall be made in a Restricted Subsidiary that is not a Loan Party unless both immediately before and immediately after giving effect to such Investment, (A) no Event of Default then exists or would arise as a result of any such Investment and (B) Borrowers are in compliance on a pro forma basis with the financial covenant

contained in Section 6.12 based on the financial statements and compliance certificate for the most recently ended fiscal quarter that have been delivered to the Administrative Agent pursuant to Section 5.01(b) and Section 5.01(c), and (vii) the aggregate amount of Investments by Loan Parties in Restricted Subsidiaries that are not Loan Parties (together with outstanding intercompany loans permitted under clause (ii) to the proviso to Section 6.04(d) and outstanding Guarantees permitted under the proviso to Section 6.04(e)) shall not exceed, at the time any such Investment is made, an amount equal to (x) \$10,000,000, plus (y) the Cash Distribution Amount at any such time outstanding (in each case determined without regard to any write-downs or write-offs);

(d) loans or advances made by any Loan Party to any Restricted Subsidiary and made by any Restricted Subsidiary to a Loan Party or any other Restricted Subsidiary, provided that (i) any such loans and advances (x) owed by a Loan Party to a Restricted Subsidiary that is not a Loan Party shall be evidenced by the Master Intercompany Note and (y) owed to a Loan Party in excess of \$250,000 individually or \$1,000,000 in the aggregate shall be evidenced by a promissory note and pledged pursuant to Section 4.4 of the U.S. Security Agreement (or the applicable provisions of any other Security Agreement), (ii) the outstanding principal amount of such loans and advances made by Loan Parties to Restricted Subsidiaries that are not Loan Parties (together with outstanding Investments permitted under clause (viii) to the proviso to Section 6.04(c) and outstanding Guarantees permitted under the proviso to Section 6.04(e)) shall not exceed, at the time any such loan or advance is made, an amount equal to (x) \$10,000,000, plus (y) the Cash Distribution Amount at any such time outstanding (in each case determined without regard to any write-downs or write-offs) and (iii) the tenor of any loan or advance made by any Loan Party to any Restricted Subsidiary that is not a Loan Party shall not exceed (x) six (6) months, if the principal amount of such loan or advance is less than \$5,000,000 and (y) twelve (12) months, if the principal amount of such loan or advance is greater than or equal to \$5,000,000;

(e) Guarantees constituting Indebtedness permitted by Section 6.01, provided that the aggregate principal amount of Indebtedness of Restricted Subsidiaries that are not Loan Parties that is Guaranteed by any Loan Party (together with outstanding Investments permitted under clause (viii) to the proviso to Section 6.04(c) and outstanding intercompany loans permitted under clause (ii) to the proviso to Section 6.04(d)) shall not exceed, at the time any such Guarantee is made, an amount equal to (x) \$10,000,000, plus (y) the Cash Distribution Amount at any such 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 in the ordinary course of business consistent with past practices up to a maximum of \$2,500,000 in the aggregate at any one time outstanding;

(g) 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 Restricted Subsidiary of a Borrower or consolidates or merges with a Borrower or any of the Restricted 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 (c) and (d) of the definition of the term "Permitted Encumbrances";

(l) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with or judgments against, customers and suppliers, in each case in the ordinary course of business;

(m) Investments constituting Permitted Acquisitions so long as the Acquisition Payment Conditions are satisfied;

(n) Investments to the extent that the payment for such Investment is made in exchange for, or with the proceeds of substantially contemporarily issued, Equity Interests of the Borrowers; and

(o) other Investments, including Investments in Unrestricted Subsidiaries and Foreign Subsidiaries, so long as the Payment Conditions are satisfied at the time each such Investment is made; provided, that, the Payment Conditions shall not apply to, and the Loan Parties and Restricted Subsidiaries may convert the Series A Convertible Preferred Units held by the Loan Parties and their Restricted Subsidiaries into common units of CSI Compressco LP.

Section 6.05 Asset Sales

No Loan Party will, nor will it permit any Restricted Subsidiary or any Non-Recourse Pledgor to, sell, transfer, lease or otherwise Dispose of any asset, including any Equity Interest owned by it, nor will any Borrower permit any Restricted Subsidiary to issue any additional Equity Interest in such Restricted Subsidiary (other than in compliance with Section 6.03 or to another Borrower or another Restricted Subsidiary in compliance with Section 6.04), except:

(a) sales, transfers and Dispositions of (6) Inventory in the ordinary course of business, (7) Permitted Investments in the ordinary course of business and (8) used, obsolete, worn out or surplus equipment or property in the ordinary course of business;

(b) sales, transfers and Dispositions of assets to any Borrower or any Restricted 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) Sale and Leaseback Transactions permitted by Section 6.06;
- (e) 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, or confiscation or requisition of use of, any property or asset of any Borrower or any Restricted Subsidiary;
- (f) to the extent constituting a Disposition or transfer, the making of Investments Investments permitted under Section 6.04, the granting of Liens permitted under Section 6.02 and the making of Restricted Payments permitted under Section 6.08;
- (g) abandonment, cancellation or Disposition of any intellectual property of any Loan Party in the ordinary course of business;
- (h) sales, transfers and other Dispositions of assets (other than (i) Equity Interests in a Restricted Subsidiary unless all Equity Interests in such Restricted Subsidiary are sold, (ii) Accounts, (iii) Inventory and (iv) Compressco Units) that are not permitted by any other clause of this Section 6.05, provided that the aggregate fair market value of all assets sold, transferred or otherwise Disposed of in reliance upon this paragraph (h) shall not exceed \$25,000,000 during any fiscal year of the Company;
 - (i) any Disposition of the Company's Equity Interests pursuant to any employee or director option program, benefit plan or compensation program;
 - (j) the granting of Liens permitted under Section 6.02;
 - (k) the use or transfer of cash and Permitted Investments in a manner that is not prohibited by the terms of this Agreement or the Collateral Documents;
 - (l) the leasing or subleasing of assets of any Loan Party or its Subsidiaries in the ordinary course of business;
 - (m) the sale or issuance of Equity Interests (other than Disqualified Stock) of the Company to the extent not prohibited hereunder;
 - (n) equity contributions and other transfers from a Loan Party to any of its Subsidiaries that is a Loan Party;
- (o) Dispositions of equipment or real property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property, or (ii) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property; provided, that to the extent the property being transferred constitutes Collateral, such replacement property shall constitute Collateral;

provided that all sales, transfers, leases and other Dispositions permitted by this Section 6.05(9) other than those permitted by paragraphs (b), (e), (g), (i), (j), and (n) above, shall be made for fair value and (10) other than those permitted by paragraphs (b), (e), (g), (i), (j), (m), (n) and (o) shall be made for at least seventy-five percent (75%) cash consideration.

Section 6.06 Sale and Leaseback Transactions

No Loan Party will, nor will it permit any Restricted 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 any Borrower or any Restricted 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 90 days after such Borrower or such Restricted Subsidiary acquires or completes the construction of such fixed or capital assets and in an aggregate amount not to exceed \$10,000,000.

Section 6.07 Swap Agreements

No Loan Party will, nor will it permit any Restricted Subsidiary to, enter into any Swap Agreement, except xliii) Swap Agreements entered into to hedge or mitigate risks to which any Borrower or any Restricted Subsidiary has actual exposure (other than those in respect of Equity Interests of any Borrower or any Restricted Subsidiary), and xliv) 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 any Borrower or any Restricted Subsidiary.

Section 6.08 Restricted Payments; Certain Payments of Indebtedness

. xlv) No Loan Party will, nor will it permit any Restricted 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 (1) each of the Borrowers may declare and pay dividends with respect to its Equity Interests payable solely in additional Equity Interests, and, with respect to its preferred Equity Interests, payable solely in additional units of such preferred Equity Interests or in units of its Equity Interests, (ii) Restricted Subsidiaries may declare and pay dividends ratably with respect to their Equity Interests, (iii) the Borrowers may make non-cash Restricted Payments pursuant to and in accordance with stock option plans or other incentive or benefit plans for managers, officers or employees of the Borrowers and their Restricted Subsidiaries, (iv) so long as no Event of Default has occurred and is continuing, the Loan Parties may declare and make (and incur any obligation to do so) Restricted Payments with the proceeds received from, or in exchange for, the substantially concurrent issue of new shares of their common stock or other common Equity Interests, (v) so long as no Event of Default shall have occurred and be continuing or would result therefrom, the Company may honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion, (vi) the Company may repurchase, redeem, defease or otherwise acquire or retire (and incur any obligation to do so) for value any Disqualified Stock of the Loan Parties with the Net Proceeds from a substantially concurrent issuance of Disqualified Stock of the Loan Parties (or from the proceeds of, or in exchange for) the substantially simultaneous issuance of common Equity Interests of the Loan Parties, (vii) purchases, repurchases, redemptions or other acquisitions or retirements for value of Equity Interest deemed to occur upon the exercise of stock options, warrants, rights to acquire Equity Interest or other convertible securities if such Equity Interest represents a portion of the exercise or exchange price thereof, and the Company may repurchase Equity Interests issued by it deemed to occur upon the cashless exercise

of the warrants issued on December 14, 2016 and the cashless exercise of stock options, and (vii) the Loan Parties may make other Restricted Payments so long as the Payment Conditions have been satisfied at the time such Restricted Payment is made.

(a) No Loan Party will, nor will it permit any of its Restricted Subsidiaries to, make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) or in respect of principal 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) (A) payment of regularly scheduled interest payments as and when due in respect of any Indebtedness permitted under Section 6.01, regularly scheduled principal payments in respect of Indebtedness permitted under Sections 6.01(e) and 6.01(k) as and when due, (B) any voluntary prepayments under the Term Loan Agreement or any prepayments pursuant to Section 2.04(b)(i) of the Term Loan Agreement as in effect on the Second Amendment Effective Date, in each case, so long as the Payment Conditions will have been satisfied at such time, or (C) any mandatory prepayments under Section 2.04(b)(ii) or 2.04(b)(iii) of the Term Loan Agreement as in effect on the Second Amendment Effective Date, in each case, other than payments in respect of the Subordinated Indebtedness prohibited by the subordination provisions thereof;
- (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) payment of the Swiftwater Earnout.

Section 6.09 Transactions with Affiliates

. No Loan Party will, nor will it permit any Restricted 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 xlvi) transactions that (1) are in the ordinary course of business and (2) are at prices and on terms and conditions not less favorable to such Loan Party or such Restricted Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, xlvii) transactions between or among any Loan Party and any of its Restricted Subsidiaries not involving any other Affiliate, xlviii) any investmentInvestment permitted by Section 6.04(c), Section 6.04(d) or Section 6.04(e), xlix) any Indebtedness permitted under Section 6.01(c), I) any Restricted Payment permitted by Section 6.08, Ii) loans or advances to employees permitted under Section 6.04(f), Iii) the payment of reasonable fees to directors or managers of a Loan Party or any Restricted Subsidiary who are not employees of such Loan Party or any Restricted Subsidiary, and reasonable compensation and employee benefit arrangements paid to, and indemnities provided for the benefit of, directors, managers, officers or employees of a Loan Party or its Restricted Subsidiaries in the ordinary course of business and Iiii) the performance of obligations of the Company or any of its Restricted Subsidiaries under the terms of any of the agreements set forth on Schedule 6.09, as such agreement may be amended, modified or supplemented from time to time as long as such amendment, modification or supplement is not materially less advantageous to the Company or its Restricted Subsidiaries, taken as a whole, than the agreement so amended, modified or supplemented; provided that the Company will not permit the aggregate amount of accounts payable and accrued expenses, liabilities or other obligations to pay the deferred purchase price of property or services provided by the Company and the Restricted Subsidiaries to Unrestricted Subsidiaries to exceed \$10,000,000 at any one time outstanding.

Section 6.10 Restrictive Agreements

. No Loan Party will, nor will it permit any Restricted 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 liv) the ability of such Loan Party or any of its Restricted Subsidiaries to create, incur or permit to exist any Lien upon any of its property or assets, or lv) the ability of any Restricted Subsidiary to pay dividends or other distributions with respect to any of its Equity Interests or to make or repay loans or advances to any Borrower or any other Restricted Subsidiary or to Guarantee Indebtedness of any Borrower or any other Subsidiary; provided that (1) the foregoing shall not apply to restrictions and conditions imposed by any Requirement of Law or by any Loan Document or Term Loan Document, (2) the foregoing 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 (other than in connection with Refinance Indebtedness pursuant to Section 6.01(f)), or any amendment or modification expanding the scope of, any such restriction or condition), (3) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Restricted Subsidiary pending such sale, provided that such restrictions and conditions apply only to the Restricted Subsidiary that is to be sold and such sale is permitted hereunder, (4) 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, (5) clause(a) of the foregoing shall not apply to customary provisions in leases and

other contracts restricting the assignment thereof and (6)clause(b) of the foregoing shall not apply to restrictions pursuant to any other agreement governing the issuance of Indebtedness permitted hereunder, provided that such restrictions and conditions are customary for such Indebtedness as reasonably determined in the good faith judgment of the Company and do not prohibit, restrict or otherwise limit the ability of the Borrower or any Restricted Subsidiary (to the extent such Restricted Subsidiary is required to be or become a Loan Party by the terms of this Agreement) to repay and/or Guarantee the Loans and the other Secured Obligations.

Section 6.11 Amendment of Material Documents

No Loan Party will, nor will it permit any Restricted Subsidiary to, amend, modify or waive any of its rights under (i) any agreement relating to any Subordinated Indebtedness, (ii) any of the Term Loan Documents, except as permitted by the Intercreditor Agreement, or (iii) its charter, articles or certificate of incorporation or organization, by-laws, operating, management or partnership agreement or other organizational or governing documents, in each case, to the extent any such amendment, modification or waiver would be materially adverse to the Lenders.

Section 6.12 Fixed Charge Coverage Ratio

During any Financial Covenant Testing Period, the Borrowers will not permit the Fixed Charge Coverage Ratio, as of the end of any fiscal quarter, commencing with the fiscal quarter ending immediately before the date on which such Financial Covenant Testing period commences, to be less than 1.00 to 1.00.

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 Article) 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 five (5) Business Days;
- (c) any representation or warranty made or deemed made by or on behalf of any Loan Party, any Non-Recourse Pledgor or any Restricted 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 Loan Party shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), Section 5.03 (solely with respect to a Loan Party's existence), Section 5.08, Section 5.15, or in Article VI;
- (e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those which constitute a default under another Section of this Article), and such failure shall continue unremedied for a period of (1) five (5) Business Days after the earlier of any Loan Party'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, Section 5.02 (other than Section 5.02(a)), Section 5.03 through Section 5.07, Section 5.10, Section 5.11 or Section 5.13 of this Agreement or (2) thirty (30) days after the earlier of any Loan Party'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 Loan Party or any of its Restricted Subsidiaries shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness (including, for the avoidance of doubt, any Specified Term Indebtedness to the extent constituting Material Indebtedness), when and as the same shall become due and payable and such failure continues beyond any applicable period of grace;
- (g) any event or condition occurs that results in any Material Indebtedness (including, for the avoidance of doubt, any Specified Term Indebtedness to the extent constituting 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 (3) liquidation, administration, reorganization or other relief in respect of a Loan Party or any of its Restricted Subsidiaries or its debts, or of a substantial part of its assets, under any Insolvency Law now or hereafter in effect or (4) the appointment of a receiver, trustee, custodian, sequestrator, conservator, administrator, liquidator, monitor or similar official for any Loan Party or any of its Restricted Subsidiaries or for a substantial part of its assets, and, with respect to a U.S. Loan Party or any of its Restricted Subsidiaries (other than a UK Borrower), such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered or, with respect to a UK Borrower, is not discharged, stayed or dismissed within fourteen (14) days of commencement;
- (i) any Loan Party or any of its Restricted Subsidiaries shall (5) voluntarily commence any proceeding or file any petition seeking liquidation, administration, reorganization or other relief under any Insolvency Law now or hereafter in effect, (6) 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 Article, (7) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator, administrator, liquidator, monitor or similar official for such Loan Party or such Restricted Subsidiary or for a substantial part of its assets, (8) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (9) make a general assignment for the benefit of creditors or (10) take any action for the purpose of effecting any of the foregoing;

(j) any UK Insolvency Event occurs other than in respect of any proceeding or petition which is discharged, stayed or dismissed within fourteen (14) days of commencement (provided that this clause (j) shall not be construed to limit clause (h) or (i) of this Article VII);

(k) any Loan Party or any of its Restricted 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;

(l) [Reserved];

(m) (11) one or more judgments for the payment of money in an aggregate amount in excess of \$20,000,000 (net of insurance coverage) shall be rendered against any Loan Party, any of its Restricted Subsidiaries or any combination thereof and the same shall remain undischarged for a period of thirty (30) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any Loan Party or any of its Restricted Subsidiaries to enforce any such judgment; or (12) any Loan Party or any of its Restricted 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;

(n) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect;

(o) a Change in Control shall occur;

(p) 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;

(q) subject to the Legal Reservations, the Loan Guaranty 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 the Loan Guaranty, or any Loan Guarantor shall fail to comply with any of the terms or provisions of the Loan Guaranty to which it is a party beyond any period of grace provided therein, or any Loan Guarantor shall deny that it has any further liability under the Loan Guaranty to which it is a party, or shall give written notice to such effect, including, but not limited to notice of termination delivered pursuant to Section 10.08;

(r) except as permitted by the terms of this Agreement and subject to the Legal Reservations, any Collateral Document or the Intercreditor Agreement, (13) any Collateral Document shall for any reason fail to create a valid security interest in any Collateral (in the case of Collateral Documents to which UK Borrowers are party, in UK ABL Collateral) with an aggregate value in excess of \$1,000,000 purported to be covered thereby, or (14) any Lien on any Collateral or portion of the Collateral (in the case of Collateral Documents to which UK Borrowers are party, on any UK ABL Collateral or portion thereof) having an aggregate value in excess of \$1,000,000 securing any Secured Obligation shall cease to be a perfected Lien with the priority required by the Loan Documents other than as a result of any action or inaction by the Administrative Agent;

(s) any Collateral Document shall fail to remain in full force or effect or any action shall be taken by a Loan Party to discontinue or to assert the invalidity or unenforceability of any Collateral Document;

(t) the Pensions Regulator issues a Financial Support Direction or a Contribution Notice to a UK Borrower unless the aggregate liability of the Loan Parties under all Financial Support Directions and Contributions Notices would not reasonably be expected to result in a Material Adverse Effect; or

(u) any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or any Loan Party shall challenge the enforceability of any Loan Document or shall assert in writing, or engage in any action or inaction that evidences its 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 Loan Party described in clause (h), (i) or (j) 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 any or all of the following actions, at the same or different times: (15) terminate the Commitments, whereupon the Commitments shall terminate immediately, (16) 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, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers, and (17) 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 the Borrowers described in clause (h), (i) or (j) of this Article, the Commitments 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, in each case 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.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

Section 8.01 Appointment

. 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 Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of the other Loan Documents, and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto. In addition, to the extent required under the laws of any jurisdiction other than the U.S., each of the Lenders and each Issuing Bank hereby grants to the Administrative Agent any

required powers of attorney to execute any Collateral Document governed by the laws of such jurisdiction on such Lender's or such Issuing Bank's behalf. Each Lender and each Issuing Bank hereby exempts the Administrative Agent from the restrictions pursuant to section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) and similar restrictions applicable to it pursuant to any other applicable law, in each case, to the extent permitted by applicable law. Any Lender and any Issuing Bank that is prohibited by its constitutional documents or by-laws from granting such exemption shall notify the Administrative Agent accordingly and shall forthwith execute such agreements and take such measures as required to give effect to the agreement or measure in relation to which a restriction under section 181 of the German Civil Code (*Bürgerliches Gesetzbuch*) or a similar restriction applies as directed by the Administrative Agent. Except as expressly provided in Section 8.06, the provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders (including the Swingline Lender and the Issuing Banks), and the Loan Parties shall not have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" as used herein or in any other Loan Documents (or any similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties. In addition to the foregoing, each Lender, on behalf of itself and any of its Affiliates that are Secured Parties, hereby irrevocably authorizes the Administrative Agent, at the Administrative Agent's option and discretion, to enter into the Intercreditor Agreement (or similar agreements with the same or similar purpose) and any other subordination or intercreditor agreement to effect the subordination of Subordinated Indebtedness or Specified Term Indebtedness, as applicable, and as agent for and on its behalf in accordance with the terms specified in this Agreement. Each Lender (and each Person that becomes a Lender hereunder pursuant to Section 9.04) and each other Secured Party (by receiving the benefits under any such Intercreditor Agreement and any such subordination and intercreditor agreement and of the Collateral pledged pursuant to the Security Agreements) agrees that the terms of any such Intercreditor Agreement shall be binding on such Lender and its successors and assigns, as if it were a party thereto. Each Lender (and each Person that becomes a Lender hereunder pursuant to Section 9.04) and each other Secured Party hereby authorizes and directs the Administrative Agent to enter into the Intercreditor Agreement and any such subordination and intercreditor agreement on behalf of such Secured Party and agrees that the Administrative Agent may take such actions on its behalf as are contemplated by the terms of the Intercreditor Agreement and any such subordination or intercreditor agreement. The Administrative Agent shall notify the Secured Parties of the effectiveness of the Intercreditor Agreement and any such subordination or intercreditor agreement promptly after such execution and shall provide a copy of the executed Intercreditor Agreement and any such subordination or intercreditor agreement to the Secured Parties promptly after its effectiveness.

Section 8.02 Rights as a Lender

. The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with any Loan Party or any Subsidiary or any Affiliate thereof as if it were not the Administrative Agent hereunder.

Section 8.03 Duties and Obligations

. The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (ix) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (ix) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (xi) 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 Loan Party or any Subsidiary that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct as determined by a final nonappealable judgment of a court of competent jurisdiction. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower Representative or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (1) any statement, warranty or representation made in or in connection with any Loan Document, (2) the contents of any certificate, report or other document delivered hereunder or in connection with any Loan Document, (3) the performance or observance of any of the covenants,

agreements or other terms or conditions set forth in any Loan Document, (4) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (5) the creation, perfection or priority of Liens on the Collateral or the existence of the Collateral, or (6) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 8.04 Reliance

. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 8.05 Actions through Sub-Agents

. The Administrative Agent may perform any and all of its duties and exercise its rights and powers 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 and all of its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs 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 in connection with the syndication of the credit facilities provided for herein as well as activities as the Administrative Agent.

Section 8.06 Resignation

. Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrower Representative. Upon any such resignation, the Required Lenders shall have the right, with the consent of the Borrowers (such consent not to be unreasonably withheld or delayed), to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent with the consent of the Borrowers (such consent not to be unreasonably withheld or delayed) which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by its successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents. The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor, unless otherwise agreed by the Borrowers and such successor. Notwithstanding the foregoing, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within thirty (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, **lxii**) 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 applicable Secured Parties, the retiring Administrative Agent shall continue to be vested with such security interest as collateral agent for the benefit of the applicable Secured Parties 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 paragraph (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 **lxiii**) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, provided that (1) 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 (2) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall also 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, Section 2.17(d) and Section 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 it was acting as Administrative Agent and in respect of the matters referred to in the proviso under clause (a) above.

Section 8.07 Non-Reliance; Acknowledgment of Lenders and Issuing Banks

(a) Each Lender acknowledges and agrees that the extensions of credit made hereunder are commercial loans and letters of credit and not investments in a business enterprise or securities. Each Lender further represents that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and has, independently and without reliance upon the Administrative Agent, any arranger of this credit facility or any amendment thereto or any other Lender and their respective Related Parties 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. Each Lender shall, independently and without reliance upon the Administrative Agent, any arranger of this credit facility or any amendment thereto or any other Lender and their respective Related Parties and based on such documents and information (which may contain material, non-public information within the meaning of the U.S. 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, any related agreement or any document furnished hereunder or thereunder and in deciding whether or to the extent to which it will continue as a Lender or assign or otherwise transfer its rights, interests and obligations hereunder.

(b) Each Lender hereby agrees that **(3)** it has requested a copy of each Report prepared by or on behalf of the Administrative Agent; **(4)** 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; **(5)** 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; **(6)** 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 **(7)** 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 the Borrowers, 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.

(c) (i) Each Lender and each Issuing Bank hereby agrees that (x) if the Administrative Agent notifies such Lender or such Issuing Bank that the Administrative Agent has determined in its sole discretion that any funds received by such Lender or such Issuing Bank 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 or such Issuing Bank (whether or not known to such Lender or such Issuing Bank), and demands the return of such Payment (or a portion thereof), such Lender or such Issuing Bank shall promptly, but in no event later than one 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 or such Issuing Bank 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 or such Issuing Bank 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 or Issuing Bank under this Section 8.07(c) shall be conclusive, absent manifest error.

(ii) Each Lender and each Issuing Bank 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 and each Issuing Bank 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 or such Issuing Bank 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 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 or such Issuing Bank 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 and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) is not recovered from any Lender or any Issuing Bank that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender or such Issuing Bank 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 Loan Party, except to the extent such erroneous Payment is, and solely with respect to the amount of such erroneous Payment that is, comprised of funds of a Borrower or other Loan Party.

(iv) Each party's obligations under this Section 8.07(c) shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Bank, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

Section 8.08 Other Agency Titles

. The Lenders (or Affiliates thereof) identified in this Agreement, or hereafter appointed by the Administrative Agent as "Documentation Agent", "Lead Arranger", "Bookrunner", "Syndication Agent" or other similar titles shall not have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of such Lenders shall have or be deemed to have a fiduciary relationship with any Lender. Each Lender hereby makes the same acknowledgments with respect to the relevant Lenders in their respective capacities as "Documentation Agent", "Lead Arranger", "Bookrunner", "Syndication Agent" or similar capacities, as applicable, as it makes with respect to the Administrative Agent in the preceding paragraph.

Section 8.09 Not Partners or Co-Venturers; Administrative Agent as Representative of the Secured Parties

. (xv) The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender. The Administrative Agent shall have the exclusive right on behalf of the Lenders to enforce the payment of the principal of and interest on any Loan after the date such principal or interest has become due and payable pursuant to the terms of this Agreement.

(a) 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. Each Lender authorizes the Administrative Agent to enter into each of the Collateral Documents to which it is a party and to take all action contemplated by such documents. Each Lender agrees that no Secured Party (other than the Administrative Agent) shall have the right individually to seek to realize upon the security granted by any Collateral Document, it being understood and agreed that such rights and remedies may be exercised solely by the Administrative Agent for the benefit of the Secured Parties upon the terms of the Collateral Documents. 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.

Section 8.10 Flood Laws

. JPMCB has adopted internal policies and procedures that address requirements placed on federally regulated lenders under the National Flood Insurance Reform Act of 1994 and related legislation (the "Flood Laws"). JPMCB, as administrative agent or collateral agent on a syndicated facility, will post on the applicable electronic platform (or otherwise distribute to each Lender in the syndicate) documents that it receives in connection with the Flood Laws. Each Lender (other than JPMCB) and each Participant acknowledges that, pursuant to the Flood Laws, each federally regulated Lender (whether acting as a Lender or Participant) is responsible for assuring its own compliance with the flood insurance requirements.

Section 8.11 Appointment of Administrative Agent as UK Security Trustee

. For the purposes of any Liens or Collateral created under the UK Collateral Documents, the following additional provisions shall apply.

(a) In this Section 8.11, the following expressions have the following meanings:

"Appointee" means any receiver, administrator or other insolvency officer appointed in respect of any Loan Party or its assets.

"Charged Property" means the assets of the Loan Parties subject to a security interest under the UK Collateral Documents.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Administrative Agent (in its capacity as security trustee).

(b) The Secured Parties appoint the Administrative Agent to hold the security interests constituted by the UK Collateral Documents on trust for the Secured Parties on the terms of the Loan Documents and the Administrative Agent accepts that appointment.

(c) The Administrative Agent, its subsidiaries and associated companies may each retain for its own account and benefit any fee, remuneration and profits paid to it in connection with (i) its activities under the Loan Documents; and (ii) its engagement in any kind of banking or other business with any Loan Party.

(d) Nothing in this Agreement constitutes the Administrative Agent as a trustee or fiduciary of any Loan Party.

(e) The Administrative Agent shall have no duties or obligations to any other person except for those which are expressly specified in the Loan Documents or mandatorily required by applicable law.

(f) The Administrative Agent may appoint one or more Delegates on such terms (which may include the power to sub-delegate) and subject to such conditions as it thinks fit, to exercise and perform all or any of the duties, rights, powers and discretions vested in it by the UK Collateral Documents and shall not be obliged to supervise any Delegate or be responsible to any person for any loss incurred by reason of any act, omission, misconduct or default on the part of any Delegate, except to the extent that such loss is determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of the Administrative Agent.

(g) The Administrative Agent may (whether for the purpose of complying with any law or regulation of any overseas jurisdiction, or for any other reason) appoint (and subsequently remove) any person to act jointly with the Administrative Agent either as a separate trustee or as a co-trustee on such terms and subject to such conditions as the Administrative Agent thinks fit and with such of the duties, rights, powers and discretions vested in the Administrative Agent by the UK Collateral Documents as may be conferred by the instrument of appointment of that person.

(h) The Administrative Agent shall notify the Lenders of the appointment of each Appointee (other than a Delegate).

(i) The Administrative Agent may pay reasonable remuneration to any Delegate or Appointee, together with any costs and expenses (including legal fees) reasonably incurred by the Delegate or

Appointee in connection with its appointment. All such remuneration, costs and expenses shall be treated, for the purposes of this Agreement, as paid or incurred by the Administrative Agent.

(j) Each Delegate and each Appointee shall have every benefit, right, power and discretion and the benefit of every exculpation (together **"Rights"**) of the Administrative Agent (in its capacity as security trustee) under the UK Collateral Documents, and each reference to the Administrative Agent (where the context requires that such reference is to the Administrative Agent in its capacity as security trustee) in the provisions of the UK Collateral Documents which confer Rights shall be deemed to include a reference to each Delegate and each Appointee.

(k) Each Secured Party confirms its approval of the UK Collateral Documents and authorizes and instructs the Administrative Agent: (i) to execute and deliver the UK Collateral Documents; (ii) to exercise the rights, powers and discretions given to the Administrative Agent (in its capacity as security trustee) under or in connection with the UK Collateral Documents together with any other incidental rights, powers and discretions; and (iii) to give any authorizations and confirmations to be given by the Administrative Agent (in its capacity as security trustee) on behalf of the applicable Secured Parties under the UK Collateral Documents.

(l) The Administrative Agent may accept without inquiry the title (if any) which any person may have to the Charged Property.

(m) Each other Secured Party confirms that it does not wish to be registered as a joint proprietor of any security interest constituted by a UK Collateral Document and accordingly authorizes: (i) the Administrative Agent to hold such security interest in its sole name (or in the name of any Delegate) as trustee for the applicable Secured Parties; and (ii) the Land Registry (or other relevant registry) to register the Administrative Agent (or any Delegate or Appointee) as a sole proprietor of such security interest.

(n) Except to the extent that a UK Collateral Document otherwise requires, any moneys which the Administrative Agent receives under or pursuant to a UK Collateral Document may be: (i) invested in any investments which the Administrative Agent selects and which are authorized by applicable law; or (ii) placed on deposit at any bank or institution (including the Administrative Agent) on terms that the Administrative Agent thinks fit, in each case in the name or under the control of the Administrative Agent, and the Administrative Agent shall hold those moneys, together with any accrued income (net of any applicable Tax) to the order of the Lenders, and shall pay them to the Lenders on demand.

(o) On a disposal of any of the Charged Property which is permitted under the Loan Documents, the Administrative Agent shall (at the cost of the Loan Parties) execute any release of the UK Collateral Documents or other claim over that Charged Property and issue any certificates of non-crystallisation of floating charges that may be required or take any other action that the Administrative Agent considers desirable.

(p) The Administrative Agent shall not be liable for:

(i) any defect in or failure of the title (if any) which any person may have to any assets over which security is intended to be created by a UK Collateral Document;

(ii) except to the extent expressly required by the terms of a UK Collateral Document, any loss resulting from the investment or deposit at any bank of moneys which it invests or deposits in a manner permitted by a UK Collateral Document (other than due to its gross negligence or willful misconduct);

(iii) the exercise of, or the failure to exercise, any right, power or discretion given to it by or in connection with any Loan Document or any other agreement, arrangement or document entered into, or executed in anticipation of, under or in connection with, any Loan Document; or

(iv) any shortfall which arises on enforcing a UK Collateral Document.

(q) The Administrative Agent shall not be obligated to:

(i) obtain any authorization or environmental permit in respect of any of the Charged Property or a UK Collateral Document;

(ii) hold in its own possession a UK Collateral Document, title deed or other document relating to the Charged Property or a UK Collateral Document;

(iii) perfect, protect, register, make any filing or give any notice in respect of a UK Collateral Document (or the order of ranking of a UK Collateral Document), unless that failure arises directly from its own gross negligence or willful misconduct; or

(iv) require any further assurances in relation to a UK Collateral Document.

(r) In respect of any UK Collateral Document, the Administrative Agent shall not be obligated to: (i) insure, or require any other person to insure, the Charged Property; or (ii) make any enquiry or conduct any investigation into the legality, validity, effectiveness, adequacy or enforceability of any insurance existing over such Charged Property.

(s) In respect of any UK Collateral Document, the Administrative Agent shall not have any obligation or duty to any person for any loss suffered as a result of: (i) the lack or inadequacy of any insurance; or (ii) the failure of the Administrative Agent to notify the insurers of any material fact relating to the risk assumed by them, or of any other information of any kind, unless Required Lenders have requested it to do so in writing and the Administrative Agent has failed to do so within fourteen (14) days after receipt of that request.

(t) Every appointment of a successor Administrative Agent under a UK Collateral Document shall be by deed.

(u) Section 1 of the Trustee Act 2000 (U.K.) shall not apply to the duty of the Administrative Agent in relation to the trusts constituted by this Agreement.

(v) In the case of any conflict between the provisions of this Agreement and those of the Trustee Act 1925 (U.K.) or the Trustee Act 2000 (U.K.), the provisions of this Agreement shall prevail to the extent allowed by law, and shall constitute a restriction or exclusion for the purposes of the Trustee Act 2000 (U.K.).

(w) The perpetuity period under the rule against perpetuities if applicable to this Agreement and any UK Collateral Document shall be 80 years from the Effective Date.

ARTICLE IX

MISCELLANEOUS

Section 9.01 Notices

(l) 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, sent by fax or sent by Electronic Systems (provided that notices and other communications by Electronic Systems shall be subject in each case to Section 9.01(b) below), as follows:

(i) if to any Loan Party, to the Borrower Representative at:

TETRA Technologies, Inc.
24955 Interstate 45 North
The Woodlands, TX 77380
Attention: Jacek Mucha
Email: JMucha@tetratc.com

with a copy, which shall not constitute notice, to:

Baker Botts L.L.P.

910 Louisiana, Willkie Farr & Gallagher LLP

600 Travis Street

Houston, TX 77002

Attention: Andrew Thomison

Email: andrew.thomison@bakerbotts.com;thomison@willkie.com

(ii) if to the Administrative Agent or JPMCB in its capacity as an Issuing Bank, the U.S. Swingline Lender, the UK Swingline Lender or a Lender, to

JPMorgan Chase Bank, N.A. at:

JPMorgan Chase Bank, N.A.

TX1-2905

2200 Ross Avenue, 1900 Akard Street, 9th 3rd Floor

Dallas, Texas 75201

Attention: Devin Mock

Facsimile No: (214) 965-2594

with a copy to:

JPMorgan Chase Bank, N.A., London Branch

25 Bank Street

Canary Wharf, London E14 5JP

Attention: Loans Agency Group

Facsimile No: +44 (0)20-7777-2360

with a copy, which shall not constitute notice, to:

Norton Rose Fulbright US LLP

2200 Ross Avenue, Suite 3600

Dallas, Texas 75201

Attention: Benjamin Ratliff

Email: benjamin.ratliff@nortonrosefulbright.com

(iii) if to any other Lender or Issuing Bank, to it at its address, fax number or e-mail set forth in its Administrative Questionnaire.

All such notices and other communications (a) sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received, (b) sent by fax 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 (c) delivered through Electronic Systems 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 Electronic Systems pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II or to compliance and no Default 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 Loan Parties) may, in its discretion, agree to accept notices and other communications to it hereunder by Electronic Systems 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 (2) 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 (3) 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, fax number or e-mail address for notices and other communications hereunder by notice to the other parties hereto.

(d) Electronic Systems.

(i) Each Loan Party agrees that the Administrative Agent may, but shall not be obligated to, make Communications (as defined below) available to the Issuing Banks and the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak, ClearPar or a substantially similar Electronic System.

(ii) Any Electronic System used by the Administrative Agent is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of such Electronic Systems and expressly disclaim liability for errors or omissions in 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 any Agent Party in connection with the Communications or any Electronic System. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrowers or the other Loan Parties, 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 the Borrower's, any Loan Party's or the Administrative Agent's transmission of communications through an Electronic System. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party 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 9.01, including through an Electronic System.

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 a 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 Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 9.02, 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 Section 2.14(b), (c), (d), and (f) and 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(e) below, neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except (x) in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders or (y) in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties that are parties thereto, with the consent of the Required Lenders; provided that no such agreement shall (4) increase the Commitment of any Lender without the written consent of such Lender (including any such Lender that is a Defaulting Lender), (5) 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 (ii)), (6) 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, (7) change Section 2.18(b) or (d) in a manner that would alter the manner in which payments are shared, without the written consent of each Lender (other than any Defaulting Lender), (8) increase the advance rates set forth in the definitions of UK Borrowing Base or U.S. Borrowing Base or add new categories of eligible assets, without the written consent of each Lender (other than any Defaulting Lender), (9) change any of the provisions of this Section 9.02 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 (other than any Defaulting Lender) directly affected thereby, (10) change Section 2.20, without the consent of each Lender (other than any Defaulting Lender), (11) 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), or (12) except as provided in clause (c) of this Section 9.02 or in any Collateral Document, release, or subordinate the Administrative Agent's liens in, all or substantially all of the Collateral, without the written consent of each Lender (other than any Defaulting Lender); providedfurther that no such agreement shall amend, modify or otherwise affect

the rights or duties of the Administrative Agent, any Issuing Bank or the Swingline Lender hereunder without the prior written consent of the Administrative Agent, such Issuing Bank or the Swingline Lender, as the case may be (it being understood that any amendment to Section 2.20 shall require the consent of the Administrative Agent, the Issuing Banks and the Swingline Lender); providedfurther 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 any Borrower and any Issuing Bank regarding such Issuing Bank's Issuing Bank Sublimit or the respective rights and obligations between such Borrower 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 9.02 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 Loan Parties on any Collateral (13) 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, (14) constituting property being sold or Disposed of if the Loan Party 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, (15) constituting property leased to a Loan Party under a lease which has expired or been terminated in a transaction permitted under this Agreement, (16) constituting property in which no Loan Party owned an interest at the time the Lien was granted or at any time thereafter, or

(17) 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 \$2,500,000 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 Loan Parties in respect of) all interests retained by the Loan Parties, 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 has not been 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, (18) 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 (19) the Borrowers shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (a) 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 (b) 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.

(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.

(f) At any time that any real property constitutes Collateral, no modification of a Loan Document shall increase the total Commitments or extend the Maturity Date hereunder until the Administrative

Agent 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).

Section 9.03 Expenses; Indemnity; Damage Waiver

(a) The Loan Parties shall, jointly and severally, pay all (20) reasonable and documented 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 (including one local counsel as necessary in each applicable local jurisdiction), in connection with the syndication and distribution (including, without limitation, via the internet or through an Electronic System) of the credit facilities provided for herein, the preparation and administration of the Loan Documents and any amendments, modifications or waivers of the provisions of the Loan Documents (whether or not the transactions contemplated hereby or thereby shall be consummated), (21) reasonable out-of-pocket expenses incurred by the applicable Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (22) documented 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 (including one local counsel as necessary in each applicable local jurisdiction), in connection with the enforcement, collection or protection of its rights in connection with the Loan Documents, including its rights under this Section 9.03, 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 Loan Parties under this Section 9.03 include, without limiting the generality of the foregoing, fees, costs and expenses incurred in connection with:

(A) Collateral monitoring, collateral reviews, appraisals and insurance reviews;

(B) 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;

(C) background checks regarding senior management and/or key investors, as deemed necessary or appropriate in the sole discretion of the Administrative Agent;

(D) Taxes, fees and other charges for (i) lien and title searches and title insurance and (ii) filing financing statements and continuations, and other actions to perfect, protect, and continue the Administrative Agent's Liens;

(E) sums paid or incurred to take any action required of any Loan Party under the Loan Documents that such Loan Party fails to pay or take; and

(F) 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 Loan Parties shall, jointly and severally, indemnify the Administrative Agent, 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 losses, claims, damages, penalties, incremental taxes, liabilities and related expenses, including the reasonable and documented 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 (23) 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, (24) 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), (25) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by a Loan Party or a Restricted Subsidiary, or any

Environmental Liability related in any way to a Loan Party or a Restricted Subsidiary, (26) the failure of a Loan Party to deliver to the Administrative Agent the required receipts or other required documentary evidence with respect to a payment made by a Loan Party for Taxes pursuant to Section 2.17, or (27) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not such claim, litigation, investigation or proceeding is brought by any Loan Party 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 losses, claims, damages, penalties, liabilities or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee. **WITHOUT LIMITATION OF THE FOREGOING, IT IS THE INTENTION OF THE BORROWERS AND THE BORROWERS AGREE 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. THE FOREGOING INDEMNITIES SHALL NOT APPLY WITH RESPECT TO INDEMNIFIED LIABILITIES TO THE EXTENT CAUSED BY OR ARISING FROM CONDITIONS FIRST COMING INTO EXISTENCE OR OCCURRING AFTER FORECLOSURE OR TRANSFER IN LIEU OF FORECLOSURE.** 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) To the extent that any Loan Party fails to pay any amount required to be paid by it to the Administrative Agent (or any sub-agent thereof) or the Swingline Lender or the applicable Issuing Bank (or any Related Party of any of the foregoing) under paragraph(a) or (b) of this Section 9.03, each Lender severally agrees to pay to the Administrative Agent, the Swingline Lender or the applicable Issuing Bank (or any Related Party of any of the foregoing), as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount (it being understood that any such payment by the Lenders shall not relieve any Loan Party of any default in the payment thereof); provided that the unreimbursed expense or indemnified loss, claim, damage, penalty, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Swingline Lender or such Issuing Bank in its capacity as such.

(d) To the extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereby waives, any claim against any Indemnitee, (28) 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), or (29) 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 Loan Party 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 9.03 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 (30) 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 (31) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 9.04. 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(c) of this Section 9.04) 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.

(a) (32) 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) 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 (such consent not to be unreasonably withheld, conditioned or delayed), 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 five (5) 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;

(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 (i) an Assignment and Assumption or (ii) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, in each case, 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 Company, the other Loan Parties 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) 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 of an Event of Default, any Person (other than a Lender or an Affiliate of 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 Revolving Exposure or Commitments, as the case may be, (d) a Loan Party or a Subsidiary or other Affiliate of a Loan Party or (e) a Competitor.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (iv) and paragraph (v) of this Section 9.04(b), 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, 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 2.14(b), 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 (c) of this Section 9.04.

(iv) 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 absent manifest error, 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.

(v) 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 a 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 9.04 and any written consent to such assignment required by paragraph (b) of this Section 9.04, 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) or (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.

(b) 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") 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 (b) such Lender's obligations under this Agreement shall remain unchanged; (c) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (d) 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 2.14(b), 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 (b) (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(h) 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 9.04; provided that such Participant (i) 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 9.04; and (ii) shall not be entitled to receive any greater payment under Section 2.14(b), 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.

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(d) as though it were a Lender.

Lender. Each Lender that sells a participation shall, acting solely for this purpose as an 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.

(c) 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 9.04 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.

Section 9.05 Survival

All covenants, agreements, representations and warranties made by the Loan Parties 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 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 2.14(b), Section 2.16, Section 2.17 and Section 9.03 and Article VII 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, fees payable under 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 telecopy 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

~~telecopy 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 Loan Party 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 other Loan Party 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 other Loan Parties, Electronic Signatures transmitted by telecopy 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 any Lender Party Related Person 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 telecopy 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 other Loan Party 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 and each of its 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 or Affiliate to or for the credit or the account of any Loan Party against any of and all the Secured Obligations held by such Lender, irrespective of whether or not such Lender shall have made any demand under the Loan Documents and although such obligations may be unmatured. The applicable Lender 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 9.08. The rights of each Lender under this Section 9.08 are in addition to other rights and remedies (including other rights of setoff) which such Lender may have.~~

Section 9.09 Governing Law; Jurisdiction; Consent to Service of Process

~~. lxxvi) The Loan Documents (other than those containing a contrary express choice of law provision) shall be governed by and construed in accordance with the internal laws of the State of Texas, but giving effect to federal laws applicable to national banks.~~

~~(a) Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any U.S. Federal or Texas State court sitting in Dallas, Texas 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 Texas 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 any party hereto may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any other party hereto or its properties in the courts of any jurisdiction.~~

~~(b) Each party hereto 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 (b) of this Section 9.09. 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.~~

(c) 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, OTHER AGENT (INCLUDING ANY 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 9.10.

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 (xvii) 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 to the same extent required hereunder), (xviii) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (xix) to the extent required by any Requirement of Law or by any subpoena or similar legal process, (xx) to any other party to this Agreement, (xxi) in connection with the exercise of any remedies under this Agreement 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, (xxii) subject to an agreement containing provisions substantially the same as those of this Section 9.12, to (1) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (2) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Loan Parties and their obligations, (xxiii) with the consent of the Borrower Representative, (xxiv) to any Person providing a Guarantee of all or any portion of the Secured Obligations, or (xxv) to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section 9.12 or (2) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis from a source other than the Borrowers. For the purposes of this Section 9.12, "Information" means all information received from the Borrowers or any Subsidiary relating to the Borrowers and their Subsidiaries 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 or any of their Subsidiaries and other than information pertaining to this Agreement provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section 9.12 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.

EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 9.12 FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE COMPANY, AND ITS AFFILIATES, THE OTHER LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWERS OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE COMPANY, THE LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWERS AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

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 Board) for the repayment of the Borrowings provided for herein. Anything contained in this Agreement to the contrary notwithstanding, neither the Issuing Banks nor any Lender shall be obligated to extend credit to the Borrowers in violation of any Requirement of Law.

Section 9.14 USA PATRIOT Act; U.K. "Know Your Customer" Checks

(a) Each Lender that is subject to the requirements of the USA PATRIOT Act hereby notifies each Loan Party that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the USA PATRIOT Act.

(b) (i) If (A) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the Second Amendment Effective Date, (B) any change in the status of a UK Borrower after the Second Amendment Effective Date, or (C) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer, obliges the Administrative Agent or any Lender (or, in the case of paragraph (C) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each UK Borrower shall promptly upon the request of the Administrative Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (C) above, on behalf of any prospective new Lender) in order for the Administrative Agent, such Lender or, in the case of the event described in paragraph (C) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Loan Documents; and (ii) each Lender shall promptly upon the request of the Administrative Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself) in order for the Administrative Agent to carry out and be satisfied it has complied

with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Loan Documents.

Section 9.15 Disclosure

. Each Loan Party, each Lender and each Issuing Bank 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 Loan Parties 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 applicable 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 Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 9.17 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Section 9.18 Marketing Consent

. The Borrowers hereby authorize JPMCB and its Affiliates, at their respective sole expense, but without any prior approval by the Borrowers, to publish such tombstones and give such other publicity to this Agreement as each may from time to time determine in its sole discretion. The foregoing authorization shall remain in effect unless and until the Borrower Representative notifies JPMCB in writing that such authorization is revoked.

Section 9.19 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
- (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 9.20 No Fiduciary Duty, etc

. 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 transaction contemplated 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 hereby, 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 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 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 9.21 Acknowledgement Regarding Any 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 9.22 Judgment Currency

. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in

accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), not be discharged until the first (1st) Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, and only to the extent that the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or any Lender from the Borrowers in the Agreement Currency, the Borrowers agree, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such Currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to the Borrowers (or to any other Person who may be entitled thereto under applicable law).

Section 9.23 Anti-Money Laundering Legislation

. Each Borrower acknowledges that, pursuant to the Proceeds of Crime Act 2002 and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws in each relevant jurisdiction (collectively, including any guidelines or orders thereunder, "AML Legislation"), the Lender Parties may be required to obtain, verify and record information regarding the Borrowers and their respective directors, authorized signing officers, direct or indirect shareholders or other Persons in control of the Borrowers, and the transactions contemplated hereby. Each Borrower shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender Party or any prospective assignee or participant of a Lender, any Issuing Bank or the Administrative Agent, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

Section 9.24 Waiver of Immunity

. To the extent that any Loan Party has, or hereafter may be entitled to claim or may acquire, for itself, any Collateral or other assets of the Loan Parties, any immunity (whether sovereign or otherwise) from suit, jurisdiction of any court or from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution or otherwise) with respect to itself, any Collateral or any other assets of the Loan Parties, such Loan Party hereby waives such immunity in respect of its obligations hereunder and under any promissory notes evidencing the Loans hereunder and any other Loan Document to the fullest extent permitted by applicable law and, without limiting the generality of the foregoing, agrees that the waivers set forth in this Section 9.24 shall be effective to the fullest extent now or hereafter permitted under the Foreign Sovereign Immunities Act of 1976 (as amended, and together with any successor legislation) and are, and are intended to be, irrevocable for purposes thereof.

Section 9.25 Process Agent

. Each UK Borrower hereby irrevocably designates and appoints the Company, in the case of any suit, action or proceeding brought in the United States as its designee, appointee and agent to receive, accept and acknowledge for and on its behalf, and in respect of its property, service of any and all legal process, summons, notices and documents that may be served in any action or proceeding arising out of or in connection with this Agreement or any other Loan Document. Such service may be made by mailing (by registered or certified mail, postage prepaid) or delivering a copy of such process to such UK Borrower in care of the Company at the Company's address set forth in Section 9.01, and each such UK Borrower hereby irrevocably authorizes and directs the Company to accept such service on its behalf. As an alternative method of service, each UK Borrower irrevocably consents to the service of any and all process in any such action or proceeding by the mailing (by registered or certified mail, postage prepaid) of copies of such process to the Company or such UK Borrower at its address specified in Section 9.01. Each UK Borrower 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.

ARTICLE X

LOAN GUARANTY

Section 10.01 Guaranty

. (i) Each U.S. 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 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 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**"), (ii) each UK Borrower hereby agrees that it is jointly and severally liable for, and, as primary obligor and not merely as surety, absolutely and unconditionally guarantees to the applicable Secured Parties the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the UK Secured Obligations (the "**UK Guaranteed Obligations**") and (iii) if any UK Guaranteed Obligation is or becomes unenforceable, invalid or illegal, each Loan Guarantor will, as an independent and primary obligation, indemnify the relevant Secured Party immediately on demand against any cost, loss or liability it incurs as a result of any other Loan Guarantor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Loan Document on the date when it would have been due (provided that the amount payable by a Loan Guarantor under this indemnity will not exceed the amount it would have had to pay if the amount claimed had been recoverable on the basis of a guaranty); provided, however, that the definitions of "Guaranteed Obligations" and "UK 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 Applicable 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 against any Loan Guarantor by or on behalf of any domestic or foreign branch or Affiliate of any Lender Party that extended any portion of the Applicable Guaranteed Obligations. Notwithstanding anything to the contrary set forth in this Article X or any other provisions of this Agreement or any other Loan Document, (i) no UK Borrower shall have any obligation with respect to any portion of the Secured Obligations other than the UK Secured Obligations, (ii) no Collateral owned by any UK Borrower shall secure any portion of the Secured Obligations other than the UK Secured Obligations, and (iii) no UK Borrower shall be required to provide any credit support or make any payment in respect of any U.S. Secured Obligations or any other obligations of a U.S. Loan Guarantor (including any obligations for which a UK Borrower and a U.S. Loan Guarantor purportedly have joint and/or several liability) under any Loan Document.

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

.lxxvi) 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: (1) any claim of waiver, release, extension, renewal, settlement, surrender, alteration or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (2) any change in the corporate existence, structure or ownership of any Borrower or any other Obligated Party liable for any of the Guaranteed Obligations; (3) 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 (4) 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.

(a) 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.

(b) Further, the obligations of any Loan Guarantor hereunder are not discharged or impaired or otherwise affected by: (5) 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; (6) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (7) 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; (8) 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 (9) 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).

(c) Each UK Borrower expressly confirms that it intends that the Loan Guaranty created by this Article X shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Loan Documents and/or any facility or amount made available under any of the Loan Documents for the purposes of or in connection with (i) acquisitions of any nature; (ii) increasing working capital; (iii) enabling investor distributions to be made; (iv) carrying out restructurings; (v) refinancing existing facilities; (vi) refinancing any other indebtedness; (vii) making facilities available to new borrowers; (viii) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and (ix) any fees, costs and/or expenses associated with any of the foregoing.

(d) This Loan Guaranty is a continuing guarantee and will extend to the ultimate balance of sums payable by a Loan Party hereunder or under any Loan Document, regardless of any intermediate payment or discharge in whole or in part.

(e) This Loan Guaranty is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Lien now or in the future held by or available to the Secured Parties.

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 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 Loan Parties 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 pursuant to any settlement entered into by a Secured Party in its discretion), 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 each Issuing Bank 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 shall exist under clause (g) 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 10.09), 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

. Notwithstanding any other provision of this Loan Guaranty, the amount guaranteed by each Loan Guarantor hereunder shall be limited to the extent, if any, required so that its obligations hereunder shall not be subject to avoidance under Section 548 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, Uniform Voidable Transactions Act or similar statute or common law. In determining the limitations, if any, on the amount of any Loan Guarantor's obligations hereunder pursuant to the preceding sentence, it is the intention of the parties hereto that any rights of subrogation, indemnification or contribution which such Loan Guarantor may have under this Loan Guaranty, any other agreement or applicable law shall be taken into account.

Section 10.11 Contribution

(a) To the extent that any Loan Guarantor shall make a payment under this Loan Guaranty (a "**Guarantor Payment**") which, taking into account all other Guarantor Payments then previously or concurrently made by any other Loan Guarantor, exceeds the amount which otherwise would have been paid by or attributable to

such Loan Guarantor if each Loan Guarantor had paid the aggregate Guaranteed Obligations satisfied by such Guarantor Payment in the same proportion as such Loan Guarantor's "Allocable Amount" (as defined below) (as determined immediately prior to such Guarantor Payment) bore to the aggregate Allocable Amounts of each of the Loan Guarantors as determined immediately prior to the making of such Guarantor Payment, then, following indefeasible payment in full in cash of the Guarantor Payment and the Payment in Full of the Guaranteed Obligations and the termination of this Agreement, such Loan Guarantor shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, each other Loan Guarantor for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Guarantor Payment, except that, notwithstanding anything in this Agreement to the contrary, UK Borrowers shall not be required to contribute anything to a U.S. Loan Guarantor if payments were made or losses were suffered by such U.S. Loan Guarantor in relation to Guaranteed Obligations that do not constitute UK Guaranteed Obligations.

(b) As of any date of determination, the "**Allocable Amount**" of any Loan Guarantor shall be equal to the excess of the fair saleable value of the property of such Loan Guarantor over the total liabilities of such Loan Guarantor (including the maximum amount reasonably expected to become due in respect of contingent liabilities, calculated, without duplication, assuming each other Loan Guarantor that is also liable for such contingent liability pays its ratable share thereof), giving effect to all payments made by other Loan Guarantors as of such date in a manner to maximize the amount of such contributions.

(c) This Section 10.11 is intended only to define the relative rights of the Loan Guarantors, and nothing set forth in this Section 10.11 is intended to or shall impair the obligations of the Loan Guarantors, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Loan Guaranty.

(d) The parties hereto acknowledge that the rights of contribution and indemnification hereunder shall constitute assets of the Loan Guarantor or Loan Guarantors to which such contribution and indemnification is owing.

(e) The rights of the indemnifying Loan Guarantors against other Loan Guarantors under this Section 10.11 shall be exercisable upon the Payment in Full of the Guaranteed Obligations and the termination of this Agreement.

Section 10.12 Liability Cumulative

. The liability of each Loan Party as a Loan Guarantor under this Article X is in addition to and shall be cumulative with all liabilities of each Loan Party to the Administrative Agent, the Issuing Banks and the Lenders under this Agreement and the other Loan Documents to which such Loan Party is a party or in respect of any obligations or liabilities of the other Loan Parties, 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 that is a U.S. Loan 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 Loan Party to honor all of its obligations under this Guarantee in respect of a Swap Obligation (provided, however, that each such 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 such Qualified ECP Guarantor under this Section 10.13 shall remain in full force and effect until the termination of all Swap Obligations. Each such 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 Loan Party 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 Company 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(s), 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 and the Lenders, 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" or "notice of event of default", as the case may be. 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.

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 and the Lenders 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, any Borrowing Base Certificate and any compliance certificate. 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.

ARTICLE XII

COLLECTION ALLOCATION MECHANISM

Section 12.01 Collection Allocation Mechanism

(a) On the CAM Exchange Date, (i) the Commitments shall automatically and without further act be terminated as provided in Article VII, (ii) the principal amount of each Loan and LC Disbursement denominated in Sterling shall automatically and without any further action required be converted into Dollars determined using the exchange rates calculated as of the CAM Exchange Date, equal to the U.S. Dollar Amount of such amount and on and after such date all amounts accruing and owed to any Lender in respect of such Obligations shall accrue and be payable in Dollars at the rates otherwise applicable hereunder and (iii) the Lenders shall automatically and without further act be deemed to have made reciprocal purchases of interests in the Designated

Obligations such that, in lieu of the interests of each Lender in the particular Designated Obligations that it shall own as of such date and immediately prior to the CAM Exchange, such Lender shall own an interest equal to such Lender's CAM Percentage in each Designated Obligation. Each Lender, each Person acquiring a participation from any Lender as contemplated by Section 9.04, and the Borrowers hereby consent and agree to the CAM Exchange. The Borrowers and the Lenders agree from time to time to execute and deliver to the Administrative Agent all such promissory notes and other instruments and documents as the Administrative Agent shall reasonably request to evidence and confirm the respective interests and obligations of the Lenders after giving effect to the CAM Exchange, and each Lender agrees to surrender any promissory notes originally received by it hereunder to the Administrative Agent against delivery of any promissory notes so executed and delivered; provided that the failure of any Borrower to execute or deliver or of any Lender to accept any such promissory note, instrument or document shall not affect the validity or effectiveness of the CAM Exchange.

(b) As a result of the CAM Exchange, on and after the CAM Exchange Date, each payment received by the Administrative Agent pursuant to any Loan Document in respect of the Designated Obligations shall be distributed to the Lenders pro rata in accordance with their respective CAM Percentages (to be redetermined as of each such date of payment or distribution to the extent required by paragraph (c) below).

(c) In the event that, after the CAM Exchange, the aggregate amount of the Designated Obligations shall change as a result of the making of an LC Disbursement by the Issuing Bank that is not reimbursed by any Borrower, then (i) each Lender shall, in accordance with Section 2.06(d), promptly purchase from the Issuing Bank the U.S. Dollar Amount of a participation in such LC Disbursement in the amount of such Lender's Applicable Percentage of such LC Disbursement (without giving effect to the CAM Exchange), (ii) the Administrative Agent shall redetermine the CAM Percentages after giving effect to such LC Disbursement and the purchase of participations therein by the applicable Lenders, and the Lenders shall automatically and without further act be deemed to have made reciprocal purchases of interests in the Designated Obligations such that each Lender shall own an interest equal to such Lender's CAM Percentage in each of the Designated Obligations and (iii) in the event distributions shall have been made in accordance with paragraph (b) above, the Lenders shall make such payments to one another in Dollars as shall be necessary in order that the amounts received by them shall be equal to the amounts they would have received had each LC Disbursement been outstanding immediately prior to the CAM Exchange. Each such redetermination shall be binding on each of the Lenders and their successors and assigns in respect of the Designated Obligations held by such Persons and shall be conclusive absent manifest error.

(d) Nothing in this Article shall prohibit the assignment by any Lender of interests in some but not all of the Designated Obligations held by it after giving effect to the CAM Exchange; provided that, in connection with any such assignment, such Lender and its assignee shall enter into an agreement setting forth their reciprocal rights and obligations in the event of a redetermination of the CAM Percentages as provided in the immediately preceding paragraph (c).

(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.

U.S. BORROWER:

TETRA TECHNOLOGIES, INC.
a Delaware corporation

By: _____
Name: Jacek Mucha
Title: Vice President – Finance, Treasurer, and
Assistant Secretary

UK BORROWER:

TETRA TECHNOLOGIES U.K. LIMITED,
a limited liability company incorporated in England and Wales with company number 01774672

By: _____
Name: Brady Murphy
Title: Director

[Signature Page to Credit Agreement – TETRA Technologies, Inc.]

OTHER LOAN PARTIES:

COMPRESSCO, INC.
TETRA APPLIED HOLDING COMPANY

TETRA FINANCIAL SERVICES, INC.
TETRA FOREIGN INVESTMENTS, LLC
TETRA-HAMILTON FRAC WATER SERVICES, LLC
TETRA INTERNATIONAL INCORPORATED
TETRA MICRONUTRIENTS, INC.
TETRA PROCESS SERVICES, L.C.
TETRA PRODUCTION TESTING HOLDING LLC
TETRA PRODUCTION TESTING SERVICES, LLC
COMPRESSCO FIELD SERVICES, L.L.C.

By: _____
Name: Jacek Mucha
Title: Treasurer

T-PRODUCTION TESTING, LLC

By: TETRA PRODUCTION TESTING HOLDING LLC, its sole member

By: _____
Name: Jacek Mucha
Title: Treasurer

COMPRESSCO TESTING, L.L.C.

By: COMPRESSCO, INC., its sole member

By: _____
Name: Jacek Mucha
Title: Treasurer

[Signature Page to Credit Agreement – TETRA Technologies, Inc.]

JPMORGAN CHASE BANK, N.A.
as Administrative Agent, an Issuing Bank, Swingline Lender and a Lender

By: _____
Name:
Title:

[Signature Page to Credit Agreement – TETRA Technologies, Inc.]

BANK OF AMERICA, N.A.
as a Lender

By:
Name:
Title:

COMMITMENT SCHEDULE

Lender	DTTP Scheme Reference Number and Tax Jurisdiction	Commitment Percentage	Commitment
JPMorgan Chase Bank, N.A.	N/A	50.00000000%	\$40,000,000.00
Bank of America, N.A.	13/B/7418	50.00000000%	\$40,000,000.00
TOTAL		100%	\$80,000,000.00

Commitment Schedule

EXHIBIT B

Amended Credit Agreement Exhibits

(Attached)

Commitment Schedule

EXHIBIT C

FORM OF COMPLIANCE CERTIFICATE

To: The Lenders parties to the
Credit Agreement described below

This Compliance Certificate (this “**Certificate**”) is furnished pursuant to that certain Credit Agreement dated as of September 10, 2018 (as amended, restated, renewed, supplemented, extended or otherwise modified from time to time, the “**Credit Agreement**”) among TETRA Technologies, Inc., a Delaware corporation (the “**Company**”), the other Borrowers and Loan Parties party thereto, the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders. Unless otherwise defined herein, capitalized terms used in this Certificate have the meanings ascribed thereto in the Credit Agreement.

I, THE UNDERSIGNED FINANCIAL OFFICER, HEREBY CERTIFY, IN MY CAPACITY AS A FINANCIAL OFFICER ON BEHALF OF THE COMPANY, THAT:

1. I am a Financial Officer of the Company;
2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Company and its consolidated Subsidiaries during the accounting period covered by the attached financial statements and such financial statements present fairly in all material respects the financial condition and results of operations of the Company 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;
3. Except as set forth in paragraph 7 below, the examinations described in paragraph 2 did not disclose, nor do I have any knowledge of (a) the existence of any condition or event which constitutes a Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate or (b) any change in GAAP or in the application thereof that has occurred since the date of the most recent audited financial statements delivered pursuant to Section 5.01(a) of the Credit Agreement;
4. No Loan Party has changed (a) its name, (b) its chief executive office, (c) its principal place of business, (d) the type of entity it is or (e) its state of incorporation or organization without having given the Administrative Agent the notice required by Section 4.15 of the Security Agreement;
5. Schedule I attached hereto sets forth reasonably detailed calculations demonstrating the Fixed Charge Coverage Ratio for the fiscal quarter most recently ended and an indication of the Applicable Rate as a result of such calculations, regardless of whether such calculations are required to be tested as set forth in Section 6.12 of the Credit Agreement, and as of the last day of the fiscal quarter most recently ended, such calculations are true and correct;
6. Schedule II attached hereto details the financial condition and results of operations of the Company and its Restricted Subsidiaries after eliminating the assets, liabilities and results of operations of Compressco, and such Schedule II is true and correct in all material respects;

7. Schedule III attached hereto sets forth reasonably detailed calculations demonstrating compliance with (a) clause (iii) to the proviso to Section 6.04(c) of the Credit Agreement in respect of investments, (b) clause (ii) to the proviso to Section 6.04(d) of the Credit Agreement in respect of loans or advances and (c) the proviso to Section 6.04(e) of the Credit Agreement with respect to Guarantees, in each case, by the Loan Parties in, to or in respect of Indebtedness of Restricted Subsidiaries that are not Loan Parties; and
8. 7. Set forth below is a detailed listing of any exceptions to the certifications made in paragraph 3 above, which listing includes (a) the nature of the condition or event, the period during which it has existed and the action which the Borrowers have taken, are taking, or propose to take with respect to each such condition or event or (b) the change in GAAP or the application thereof and the effect of such change on the attached financial statements.

[Signature Page Follows]

The foregoing certifications, together with the computations set forth in any schedule attached hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____, 20____.

TETRA TECHNOLOGIES, INC.,
as Borrower Representative

By: _____
Name: _____
Title: _____

SCHEDULE I

FINANCIAL COVENANT CALCULATIONS

[Attached]

SCHEDULE II

FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE COMPANY AND ITS RESTRICTED SUBSIDIARIES (EXCLUDING COMPRESSCO)

[Attached]

CALCULATIONS IN RESPECT OF INVESTMENTS, LOANS AND ADVANCES AND GUARANTEES

[Attached]

Exhibit 10.2

SPECIFIC TERMS IN THIS AGREEMENT HAVE BEEN REDACTED BECAUSE SUCH TERMS ARE BOTH NOT MATERIAL AND ARE OF A TYPE THAT TETRA TECHNOLOGIES, INC. TREATS AS CONFIDENTIAL. THESE REDACTED TERMS HAVE BEEN MARKED IN THIS EXHIBIT AT THE APPROPRIATE PLACE WITH THREE ASTERISKS [***].

PROJECT [***]

MEMORANDUM OF UNDERSTANDING OPTION AGREEMENT

THIS OPTION AGREEMENT is made as of the 29th day of December, 2017 .

BETWEEN:

This MEMORANDUM OF UNDERSTANDING (this "TETRA TECHNOLOGIES, INC.MOU") is entered into on June 19, 2023 (the "Execution Date"), by a corporation existing under the laws of the State of Delaware and between TETRA Technologies Inc. ("TETRA") and Saltwerx LLC ("Saltwerx"), having an office located at 24955 Interstate 45 North, The Woodlands, Texas, 77380

A. TETRA previously filed an initial application with the Arkansas Oil & Gas Commission (the "AOGC" "Underlying Owner") on March 27, 2023 to establish a proposed brine unit that included 4,147 acres for the production of brine from TETRA's brine leases in the Smackover Limestone Formation in Arkansas ("TETRA's Prior Brine Unit Application").

AND:

B. TETRAARKANSAS LITHIUM CORP., a corporation existing under the laws of the State of Nevada and Saltwerx wish to amend TETRA's Prior Brine Unit Application by filing having an office located at Suite 888, 1100 Melville Street, Vancouver, British Columbia, V6E 4A6
(the amended application attached hereto "Optionee")

AND:

STANDARD LITHIUM LTD., a corporation existing under the federal laws of Canada and having an office located at Suite 888, 1100 Melville Street, Vancouver, British Columbia, V6E 4A6

(the "Optionee Parent")

RECITALS:

- A. The Underlying Owner is the lessee under various brine leases and term brine deeds located in Columbia and Lafayette Counties in the State of Arkansas, as more particularly described in Exhibit A hereto (collectively referred to herein as the AOGC (the "Amended Brine Unit Application Leases");
- B. The Underlying Owner desires to combine and increase the acreage within the proposed brine unit covered thereby from 4,417 acres to 6,138 acres as described in Exhibit A-1 and Exhibit A-2 grant to the Amended Brine Unit Application (the "Amended Brine Unit") for Optionee, and Optionee desires to receive, the production of brine from Option (as defined herein), on the Smackover Limestone Formation.

terms and subject to the conditions set out in this Agreement; and

C. The brine lease ownership that will be included within such proposed Amended Brine Unit Optionee is based on the current understanding of leased acreage within the Amended Brine Unit, with TETRA owning approximately 59%, Saltwerx owning approximately 28%, and unleased owners owning approximately 13%.

D. The parties wish to collaborate to secure an order from the AOGC approving the Amended Brine Unit Application and establishing the Amended Brine Unit.

E. Concurrently with the execution of this MOU, Saltwerx has provided TETRA with an executed letter in support of TETRA's amended application for the Amended Brine Unit.

F. The parties also wish to enter into this MOU to memorialize certain binding and non-binding commercial understandings with respect to the foregoing and the negotiation of one or more definitive documents setting forth the terms and conditions that are mutually acceptable to the parties memorializing one or more definitive joint venture(s) (or joint development(s)) between the parties with respect to project development, financing, operations, option agreements, and off-take arrangement(s) relating to the

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ownership, operation and/or development indirect wholly-owned subsidiary of the Amended Brine Unit (such definitive documents being, the "JV and Project Agreements").

Optionee Parent.

NOW THEREFORE, in consideration of one (\$1.00) dollar paid by each Party to the premises other, and the mutual promises, covenants, contained conditions, representations and warranties herein and other good and valuable consideration, set out, the receipt and sufficiency of which are hereby acknowledged, the parties hereby Parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.1.1 **Binding Commercial Understandings** For the purposes of this Agreement, the following words and phrases shall have the following meanings, namely:

- (a) **"Affiliate"** shall mean a direct or indirect subsidiary, parent company, or entity which shares the same control person;
- (b) **"Agreement"** means this Option Agreement, as amended from time to time;
- (c) **"Agreement Date"** means the date of this Agreement, as first set out above;
- (d) **"AOGC"** means the Arkansas Oil and Gas Commission.
- (e) **"Authorized Recipients"** has the meaning ascribed to such term in Section 8.2.

- (f) **"Business Day"** means a day other than a Saturday, Sunday or any day on which banks in the City of Houston, Texas are not open

for business during normal banking hours;

1.1.(g) **TETRA shall file "Claim" or "Claims"** means all claims, damages, liabilities, losses, demands, liens, encumbrances, fines, penalties, causes of action of any kind, obligations, costs, judgments, penalties, interest and awards (including payment of reasonable attorneys' fees and costs of litigation and investigation costs) or amounts, of any kind or character, whether under judicial proceedings, administrative proceedings or otherwise, and whether in law or in equity, and whether in tort or otherwise.

(h) **"Commercial Production"** means the Amended Brine Unit Application with production of Extracted Materials from the AOGC by July 5, 2023 Exercised Leases in commercial quantities. Commercial Production will be deemed to have commenced on the first day of the month following the first occasion that Extracted Materials are shipped from the property comprising the Exercised Leases for commercial purposes; *provided*, and deliver Saltwerx evidence thereof promptly after such filing. TETRA shall not modify however, that the Amended Brine Unit Application without Saltwerx's prior written approval, which approval processing or shipping of bulk samples for testing purposes shall not be unreasonably withheld, conditioned, or delayed. If considered for the AOGC does not issue an order to establish purpose of establishing the Amended Brine Unit within 180 days after the Execution Date, TETRA reserves the right, in its discretion, to proceed with TETRA's Prior Brine Unit Application previously filed with the AOGC or any unit application for which TETRA qualifies by providing written notice thereof to Saltwerx, in which event, the terms and provisions commencement of this MOU (other than those set forth in paragraphs 1.1, 1.5, 3, 4.1, 4.2, 4.3, 4.4, 4.6, 4.7, and 4.9) shall terminate and no longer be of any force or effect. If TETRA fails to file the Amended Brine Unit Application with the AOGC by July 5, 2023 or if the AOGC does not issue an order to establish the Amended Brine Unit within 180 days after the Execution Date, Saltwerx reserves the right, in its discretion, to terminate this MOU by providing written notice thereof to TETRA, in which event, the terms and provisions of this MOU (other than those set forth in paragraphs 1.1, 1.5, 3, 4.1, 4.2, 4.3, 4.4, 4.6, 4.7, and 4.9) shall terminate and no longer be of any force or effect. **Commercial Production.**

1.2. Immediately following the expiration of the sixty (60)-day period beginning at the issuance of the AOGC's order to establish the Amended Brine Unit, TETRA and Saltwerx agree to amend the Brine Unit Operating Agreement (the "i) **Brine Unit Operating Agreement**" **Confidential Information**" means all confidential and/or proprietary information disclosed by one Party ("Disclosing Party") to the other Party ("Receiving Party"), and may include, but is not limited to, information concerning a potential business relationship between the Parties, trade secrets, physical samples, financial, business, sales or technical information, terms of agreements, negotiations or proposals, business operations, plans, products, processes, technology, strategies, facilities, research, finances, customers, legal affairs, pricing, information systems, development plans, marketing information, commercial information, properties, environmental considerations, suppliers, technical information, raw material usage or sourcing, business methods, personnel and similar confidential or proprietary information or data of, concerning or belonging to the Disclosing Party and/or its parent, subsidiaries or affiliate that is made a part disclosed (a) in written or other tangible form and marked "Confidential" or with words of the Amended Brine Unit Application (or take any other action similar import, (b) orally or visually and identified as necessary) to effect the transfer by TETRA to Saltwerx, for no additional consideration, ownership of a real property interest in the brine interests in the Amended Brine Unit necessary to increase Saltwerx's ownership of a real property interest in the brine interests in the Amended Brine Unit from approximately 28% to 35% of the brine interests held by TETRA, Saltwerx and all non-electing/non-participating owners within the Amended Brine Unit.

1.3. Subject to expiration of the sixty (60)-day period beginning confidential or proprietary information at the issuance time of disclosure, or (c) under circumstances by which Receiving Party should reasonably understand such information is to be treated as confidential, whether or not marked "Confidential" or otherwise. Confidential Information shall not include information that: (a) is already known to Receiving Party or its Affiliates at the AOGC's order time of disclosure without obligation of confidentiality to establish the Amended Brine Unit, TETRA will assign to Saltwerx all Disclosing Party, (b) is or becomes publicly known through no wrongful act or omission of TETRA's interests in the mineral and brine rights it holds in the [***] acres outside the Amended Brine Unit as set forth on Exhibit B hereto. Saltwerx shall have the right to Receiving Party or its Affiliates, (c) is rightfully received

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assert title defects by Receiving Party or its Affiliates from a third party without a known obligation of confidentiality, or (d) was developed by Receiving Party or its Affiliates independently and without the use or benefit of any of the Confidential Information.

- (j) **"Development Operations"** means (i) all Exploratory Operations, and (ii) all activities carried out by Optionee in connection with respect the development and production of, including without limitation, drilling for brine; laying pipelines; installing power lines and power stations; building roads, bridges, tanks and other structures and facilities for the production of: (a) Extracted Materials; (b) the processing and distribution of Extracted Materials; (c) the construction of any improvements, fixtures or equipment reasonably necessary therefor; (d) disposal of post-extraction brine following extraction of the Extracted Materials; and (e) any other activities or operations related to TETRA's ownership interest in such acres outside or necessary for the Amended Brine Unit by providing notice thereof within sixty (60) days after the Execution Date. If TETRA fails to cure any such title defects within ninety (90) days after receiving such notice, TETRA drilling, development and Saltwerx will promptly amend the Brine Unit Operating Agreement to increase Saltwerx's ownership production and disposal of brine interests and extraction and Commercial Production of Extracted Materials on, in or under the Amended Brine Unit in an amount necessary to account for such uncured title defects([***]). If, as Leases, each of the result of any uncured title defect, Saltwerx's ownership of brine interests in the Amended Brine Unit is increased above 35%, then Saltwerx will have the option to trade such brine interests in excess of 35% to TETRA in exchange for receiving from TETRA an ownership of a real property interest in the lithium in-place determined foregoing in accordance with the following formula: real property interest rights granted herein and under the Limited Mineral Assignment;
- (k) **"Disclosing Party"** has the meaning attributed to such term in the lithium-in-place equals definition of Confidential Information.
- (l) **"Environmental Claims"** means any and all Claims relating in any way to any Environmental Law or any permit issued under any Environmental Law, including:
 - (i) any and all Claims by any government or regulatory authorities for enforcement, clean-up, removal, response, remedial, or other actions or damages under any applicable Environmental Law; and
 - (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation, or injunctive or other relief resulting from hazardous materials, including any release of those Claims, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment;
- (m) **"Environmental Laws"** means all laws, rules or regulations of any agency, board, or governmental authority having authority over the property comprising the Leases, relating to: (i) the percentage brine interest in the Amended Brine Unit transferred to TETRA multiplied by (ii) ([***]). If Saltwerx exercises this option, TETRA will execute a lithium limited mineral assignment (or other required documentation) to effect such transfer.

1.4. For a period of six (6) months after the Execution Date, TETRA and Saltwerx shall each, and shall cause each of their respective affiliates to, deal exclusively with the other party for the purposes of development pollution or environmental protection of the Amended Brine Unit air, surface water, ground water, or land; (ii) solid, gaseous, or liquid waste generation, handling, treatment, storage, disposal, or transportation; (iii) exposure to hazardous or toxic substances; or (iv) the closure, decommissioning, dismantling, or abandonment of any other brine unit that includes facilities, mines, or workings and the reclamation or restoration of the property comprising the Leases;

- (n) **"Environmental Liability"** means any Claim suffered or incurred in respect of TETRA's or Saltwerx's current brine leases that are included in the Amended Brine Unit, environmental cleanup and will not, remediation obligations and liabilities arising directly or indirectly solicit, initiate, entertain from operations or accept any offers activities conducted in or proposal from, negotiate or enter into any discussion or agreements with, or provide any information to, any person or entity other than on the other party regarding the development of the Amended Brine Unit or any of the brine interests or leases that are included in the Amended Brine Unit; except that the foregoing shall not restrict TETRA from soliciting, initiating, entertaining or accepting any offers or proposals from, negotiating or entering into any discussion or agreements, or providing information to other parties related to TETRA's financing requirements for any aspect of the Amended Brine Unit; provided that in no event shall TETRA enter into any agreement or arrangement that would directly or indirectly transfer or otherwise encumber twenty-five percent (25%) or more of the lithium extraction rights in the Amended Brine Unit or otherwise restrict Saltwerx's ability to exercise its rights under paragraphs 1.7 and 1.9 hereof, Leases;

- 1.5. (o) **TETRA's out-of-pocket costs incurred to-date and "Exercised Leases"** means those Leases with respect to be incurred until Final Investment Decision (" which Optionee has exercised the Option;
- (p) **FID "Exploratory Operations"** ") and out-of-pocket front-end engineering and design (FEED) costs to assess the Amended Brine Unit acreage (including out-of-pocket costs associated with test wells, geological modeling, reservoir analysis, related consulting costs) (collectively, the "pre-FID costs") will be borne means all activities carried out by the working interest owners Optionee in accordance connection with the respective ownership percentages in rights and licenses under the Amended Brine Unit; except that based on TETRA's current estimate of pre-FID costs of approximately \$[***] on a 100% basis Saltwerx will pay to TETRA [***]% of these pre-FID costs up to \$[***] upon TETRA providing evidence of the pre-FID costs. Upon such payment, TETRA will provide Leases granted by

Saltwerx Underlying Owner to Optionee under this Agreement to investigate, prospect and Saltwerx will provide TETRA with all data, information, and/or analyses explore for, and evaluate the production of, Extracted Materials, including without limitation conducting exploration, geologic and geophysical tests. Exploratory Operations do not include right to assess produce Extracted Materials in commercial quantities under the acreage within Leases;

(q) **"Exploratory Period"** means the Amended Brine Unit ("pre-FID data"), including those listed period commencing on Exhibit C hereto. Saltwerx will not be liable or responsible to reimburse TETRA for any other cost or expense incurred by TETRA prior to FID. Saltwerx will have no restrictions with regards to Agreement Date and continuing until the confidentiality or use earliest of (i) the date that is the 10year anniversary of the pre-FID data or data, information, and/or analyses generated by TETRA in its role as Operator Agreement Date; (ii) the execution and delivery of the Amended Brine Unit Limited Mineral Assignment; or (iii) any termination of this Agreement;

1.6.(r) **After the formation of the Amended Brine Unit, TETRA shall drill "Extracted Materials"** means lithium and complete a first production test well within the Amended Brine Unit at a location and well-design to be mutually agreed upon, and Saltwerx will fund and/or reimburse TETRA for [***]%, derived or extracted from brine produced from the Leases;

(s) **"Indemnitee"** has the meaning attributed to such term in Section 10.5.

(t) **"Indemnitor"** has the meaning attributed to such term in Section 10.5.

(u) **"Knowledge of TETRA's out-of-pocket costs and expenses to drill and complete such production test well (up to \$[**] Underlying Owner"** shall mean the actual knowledge of any of [***] (gross). Upon such payment, TETRA will provide Saltwerx with all associated data (President & CEO), [***] (VP - Chemicals) and Saltwerx will have no restrictions with regards [***] (General Counsel), except to the use of extent that such data, knowledge is subject to attorney-client privilege.

1.7 After approval of(v) **"Lease Period"** means the Financial Investment Decision ("FID") NPV10 by each party in its sole discretion, Saltwerx will fund and/or reimburse TETRA for [***] of TETRA's out-of-pocket costs and expenses incurred period commencing on the date that the Limited Mineral Assignment with respect to the bromine processing facilities detailed engineering design costs Extracted Materials is executed by the Parties, and expenses (up continuing for a period equal to the life of the underlying Exercised Lease(s);

(w) **"Leases"** has the meaning attributed to such term in Recital A hereto;

(x) **"Limited Mineral Assignment"** means an instrument in the form attached hereto as Exhibit B.

(y) **"Minimum Royalty"** means \$[***]. Also, after FID, except;

(z) **"NDA"** means the mutual nondisclosure agreement entered into between the Underlying Owner and the Optionee Parent, dated June 8, 2017, and as provided subsequently amended;

(aa) **"Option"** means the exclusive option, during the Exploratory Period, to obtain the Limited Mineral Assignment and, if exercised, to conduct Development Operations in accordance with this Agreement and the Exercised Lease(s);

(bb) **"Optionee"** has the meaning attributed to such term in the preceding sentence: (1) preamble;

(cc) **"Optionee Group"** shall mean, whether individually or collectively, (i) Optionee, its parent, subsidiary and affiliated or related companies, (ii) its and their joint owners, co-lessees, partners, joint venturers, if any, and their respective parents, subsidiary and affiliated or related companies, (iii) its and their contractors and subcontractors of every tier (other than any member of Underlying Owner Group) and (iv) the officers, directors, employees, agents, consultants, insurers and invitees of all costs of developing the upstream brine development (as described in Exhibits B and E of the Amended Brine Unit Application) will be borne by foregoing.

(dd) **"Optionee Parent"** has the parties based on their respective shares of lithium ownership within the Amended Brine Unit; (2) all costs associated with the construction and operation of lithium processing facilities associated with the Amended Brine Unit will be borne by

the parties based on their respective shares of lithium ownership within the Amended Brine Unit; and (3) all costs associated with construction and operation of the bromine processing facilities associated with the Amended Brine Unit will be borne by TETRA. TETRA will provide Saltwerx with all data, information, and/or analyses relating meaning attributed to these developments and expenses, and Saltwerx will have no restrictions with regards to the confidentiality or use thereof.

1.8. Prior to the completion of the lithium FEED study (but after the Amended Brine Unit is established by order of the AOGC after expiration of the applicable sixty (60)-day election period for other unleased brine interest owners such term in the Amended Brine Unit), Saltwerx will have the option to trade all of its initial 35% ownership of a real property interest in the bromine in-place to TETRA (as such percentage may be adjusted upward as contemplated in paragraph 1.3) in exchange for receiving from TETRA ownership of a real property interest in the lithium in-place that will increase Saltwerx's ownership of a real property interest in the lithium-in-place to 51% (as such percentage may be adjusted upward as contemplated in paragraph 1.3). preamble;

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If Saltwerx exercises this option, TETRA will execute a lithium limited mineral assignment (or other required documentation) (ee) **"Parties"** means Underlying Owner, Optionee and Optionee Parent, collectively, and **"Party"** means each of the foregoing individually.

- (ff) **"Receiving Party"** has the meaning attributed to transfer to Saltwerx a real property interest such term in the lithium in-place sufficient definition of Confidential Information.
- (gg) **"REGARDLESS OF FAULT"** shall mean without regard to increase Saltwerx's interest the cause or causes thereof including, without limitation, pre-existing conditions, whether such conditions be patent or latent, imperfection of material, defect or failure of equipment, breach of representation or warranty (express or implied), ultrahazardous activity, strict liability, tort, breach of contract, breach of statutory duty, breach of any safety requirement or regulation, or the negligence of any person or party, including the indemnified Party or Parties, whether such negligence be sole, joint and/or concurrent, active or passive, or any other theory of legal liability.
- (hh) **"Royalty"** means a two and one-half percent (2.5%) royalty on gross revenue derived by Optionee or any of its Affiliates from the sale of Extracted Materials to a Third Party in an arms-length transaction, without any deduction of any kind or nature;
- (ii) **"Third Party"** shall mean any person or entity not a member of Underlying Owner Group or Optionee Group.
- (jj) **"Underlying Owner"** is defined in the lithium-in-place in preamble; and
- (kk) **"Underlying Owner Group"** shall mean, whether individually or collectively, (i) Underlying Owner, its parent, subsidiary and affiliated or related companies, (ii) its and their joint owners, co-lessees, partners, joint venturers, if any, and their respective parents, subsidiary and affiliated or related companies, (iii) its and their contractors and subcontractors of every tier (other than any member of Optionee Group) and (iv) the Amended Brine Unit to 51% (as such percentage may be adjusted upward as contemplated in paragraph 1.3), officers, directors, employees, agents, consultants, insurers and Saltwerx will execute a bromine limited mineral assignment (or other required documentation) to transfer a real property interest in invitees of all of the interest it holds foregoing.

1.2

Entire Agreement; Amendment

Except as described in the bromine in-place located in immediately following sentence, this Agreement constitutes the Amended Brine Unit to TETRA.

1.9. Except entire agreement between the Parties pertaining to the extent TETRA is removed as operator under subject matter of this Agreement, and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of and between the Brine Unit Operating Agreement or TETRA resigns as operator as required pursuant to paragraph 1.11(c), TETRA will remain operator for the lithium development through completion subject matter herein (including but not limited to the NDA and the memorandum of understanding entered into between the FEED study; but following completion of Underlying

Owner and the FEED study and conditioned upon Saltwerx exercising its right to increase its ownership of the lithium-in-place to at least 51% as provided in paragraph 1.7, Saltwerx will have the option to assume operatorship of the lithium plant development and operation.

1.10. After approval of the FID NPV10 by both parties and until one year after the commencement of commercial production of lithium from the Amended Brine Unit Optionee Parent dated effective July 26, 2017 (the "option period MOU"), TETRA agrees that Saltwerx will have which shall terminate as of the option date hereof, and there are no representations, warranties, covenants or other agreements among the Parties to obtain a lithium limited mineral assignment from TETRA to increase Saltwerx's ownership of a real property interest in the lithium-in-place to [***]% by purchasing such lithium-in-place interests from TETRA for cash consideration at a discount to the FID approved NPV10. Ownership interests in the lithium value chain (including the lithium facilities) will be realigned with the Amended Brine Unit lithium in-place ownership percentages this Agreement in connection with the exercise subject matter of any such option, this Agreement except as specifically set forth in this Agreement.

1.3

Headings

The Articles, Sections, subsections and the parties agree other headings contained herein are included solely for convenience, are not intended to (a) execute a limited mineral assignment to effect the transfer by TETRA to Saltwerx, for no additional consideration, ownership be full or accurate descriptions of the lithium-in-place in the Amended Brine Unit to [***]% and (b) execute, deliver and file of record such other instruments of conveyance, assignment or transfer with respect to the lithium limited mineral assignment and to take such other action as may be necessary to carry out the intent and purpose content of this paragraph 1.9. The cash consideration will Agreement and shall not be calculated as noted below, contingent upon achieving FID.

- (a) Price paid by Saltwerx to TETRA = (lithium interest % acquired) * (NPV10 considered part of lithium project) * (1 - Discount%).
- (b) During the period beginning 90 days following the commencement of commercial production of lithium and ending at the expiration of the option period, the discount to NPV10 ("Discount%") will be [***]%.
- (c) During the period beginning from approval of FID by both parties and ending 89 days after the commencement of commercial lithium production, TETRA and Saltwerx agree to work together in good faith to this Agreement.

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negotiate a Discount% schedule applicable from FID until 89 days after commercial lithium production. The Discount% schedule will specify 1.4 **Currency**

Unless otherwise indicated, all dollar amounts contained in this Agreement are and shall be construed to be in dollars in the initial Discount% at FID and/or the start lawful currency of the option period (intended United States of America).

1.5

Exhibits

The following Exhibit attached to this Agreement is an integral part of this Agreement:

<u>Exhibit A</u>	: Description of Leases
<u>Exhibit B</u>	: Form of Limited Mineral Assignment
<u>Exhibit C</u>	: Form of Ratification, Extension and Renewal of Brine Lease
<u>Exhibit D</u>	: Insurance Requirements

ARTICLE 2 - REPRESENTATIONS AND WARRANTIES

2.1 Each of (i) the Underlying Owner, on one hand, and (ii) Optionee and Optionee Parent, on the other, represent the maximum discount and changes warrant to the Discount% other, as project milestones are achieved up to 89 days after of the start of commercial lithium production. Agreement Date that:

(c) The assumed lithium price(a) it has duly obtained all necessary authorizations for the purposes execution, delivery, and performance of calculating this Agreement, and such execution, delivery and performance and the price to be paidconsummation of the transactions contemplated by Saltwerx this Agreement will be \$[***]).

1.11. Notwithstanding anything not conflict with, or accelerate the performance required by or result in any breach of any covenants or agreements contained to the contrary in or constitute a default under, or result in the Brine Unit Operating Agreement, during the period between expiration of the 60-day election period following the Amended Brine Unit is approved until such time as TETRA and Saltwerx execute the definitive JV and Project Agreements, the following provisions shall apply in respectcreation of any activities encumbrance, lien or operations under or with respect to the Brine Unit Operating Agreement:

(a) TETRA shall not undertake any operationscharge under the Brine Unit Operating Agreement without Saltwerx's written consent, provisions of its governing documents or any indenture, agreement or other instrument whatsoever to which shall it is a party or by which it is bound or to which it may be subject, and will not be unreasonably withheld; provided, however, that such restrictions shall not apply to those operations expressly contemplated in Exhibit B to the Amended Brine Unit Application to the extent the cost contravene any applicable laws; and expense for those operations do not exceed the amount set forth for those operations in Exhibit E to the Amended Brine Unit Application.

(b) With respect to any operation that Saltwerx proposes under the Brine Unit Operating this Agreement, in which TETRA is a Non-Consenting Party (as such term is defined in the Brine Unit Operating Agreement), upon Saltwerx's written request, TETRA shall promptly designate Saltwerx as operator under the Brine Unit Operating Agreement in respect of such operation.

(c) If the Party designated as Operator of the Amended Brine Unit (whether TETRA or Saltwerx) fails or refuses to carry out its obligations or duties under the Brine Unit Operating Agreement or fails to conduct its activities under the Brine Unit Operating Agreement as a reasonable prudent operator, in a good and workmanlike manner, with due diligence and dispatch, when delivered in accordance with good the terms hereof, will constitute a valid and customary practices for the brine production industry, and binding obligation enforceable against it in accordance with its terms, except (i) as such enforceability may be limited by applicable lawbankruptcy, insolvency, reorganization, moratorium, liquidation and regulation, other similar laws of general application affecting enforcement of creditors' rights generally and in either case, fails (ii) as limited by laws relating to cure the same within sixty (60) days after receiving written notice thereof, the breaching party shall immediately resign as operator under the Brine Unit Operating Agreement and shall vote to approve the non-breaching party as operator under the Brine Unit Operating Agreement, availability of specific performance, injunctive relief or other equitable remedies.

2.2 The Underlying Owner represents and warrants to each of the Optionee and the Optionee Parent that, as of the Agreement Date:

- (a) except as set forth on Schedule 2.2(a), to the Knowledge of Underlying Owner, the Leases are legally and beneficially owned or held by it, are valid and enforceable, and are free and clear of any liens, charges or encumbrances;
- (b) except as set forth on Schedule 2.2(b), to the Knowledge of Underlying Owner, all fees, taxes, assessments, rentals, levies or other payments required to be made relating to the Leases have been made, except

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where the failure of such payment would not reasonably be expected to have a material adverse effect on the ability of the Underlying Owner to consummate the transactions contemplated by this Agreement;

- (c) other than this Agreement, it is not a party to any outstanding agreements or options to acquire, purchase or sell the Leases or any portion thereof or any interest therein;
- (d) If except as set forth in Schedule 2.2(d), to the breaching party Knowledge of Underlying Owner, there is removed as operator, no adverse Claim or challenge against or to the breaching party shall ownership of or title to any part of the Leases or the property comprising the Leases that would reasonably be expected to have a material adverse effect on the obligationability of Underlying Owner to promptly share all information and provide copies perform its obligations hereunder;
- (e) to the Knowledge of Underlying Owner, there are no Claims pending or threatened against or relating to the Leases before or by any governmental or regulatory agency or board that would reasonably be expected to have a material adverse effect on its ability to perform its obligations hereunder;
- (f) to the Knowledge of Underlying Owner, there has been no material spill, discharge, leak, emission, ejection, escape, dumping, or any release of any and all documents, correspondence, information kind, of any toxic or other similar materials related hazardous substance or waste (as defined by any applicable law) on the property comprising the Leases in violation of Environmental Law, except as would not reasonably be expected to have a material adverse effect on its ability to perform its obligations hereunder;
- (g) no toxic or hazardous substance or waste has been treated or disposed of by Underlying Owner on the property comprising the Leases, or is located or stored on the Leases as a result of activities of the Underlying Owner, except as would not reasonably be expected to have a material adverse effect on its ability to perform its obligations hereunder;
- (h) it has not received from any governmental or regulatory agency or board, any notice of or communication relating to any actual or alleged Environmental Claims and, to the Amended Brine Unit Knowledge of Underlying Owner, there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the Leases or any operations carried out on the Leases that would reasonably be expected to have a material adverse effect on its ability to perform its obligations hereunder; and
- (i) to the Prior Brine Unit Application, Knowledge of Underlying Owner, Underlying Owner has not conveyed any interest in the Leases to any third party, except where such conveyance would not be reasonably expected to have a material adverse effect on Optionee's ability to achieve Commercial Production of Extracted Minerals.

2.3

The Optionee represents and warrants to the Underlying Owner that, as applicable, (including of the Agreement Date:

- (a) it is a company duly incorporated, validly subsisting and in good standing with respect to unit operations or filing of annual reports under the contemplated transactions) to the non-breaching party. In the event the non-breaching party is appointed as operator laws of the Amended Brine Unit under the Brine Unit Operating Agreement, the breaching party will promptly assist in the transition State of operations and transfer of any information or documents related to the Amended Brine Unit. Nevada;

1.12. The parties agree that, from time to time after the execution of this MOU, each party will execute and deliver such further instruments of conveyance and transfer and take such other action as may be necessary (a) to execute one or more stipulations, limited mineral assignments, and/or cross-assignments of interests to vest a real property interest in the Amended Brine Unit in Saltwerx pursuant to and as contemplated by paragraphs 1.2 and 1.3 and (b) to otherwise carry out the purposes and intents of this MOU.

2. Non-Binding Commercial Understandings

2.1. TETRA and Saltwerx acknowledge the potential complexity involved in forming one or more joint ventures (or joint developments) to own and operate the Amended Brine Unit for the purpose of brine production through the marketing of the bromine and lithium processed from such production. It is the desire of both parties to consider commercial design, with an emphasis on achieving a balance between the need for comprehensive governance, operational clarity, and avoidance of unnecessary complexity. TETRA and Saltwerx will consider if joint venture(s) formation is required in addition to a joint development agreement(s) and joint operating agreement(s).

2.2. Saltwerx acknowledges TETRA will require financing solutions to develop the Amended Brine Unit for the purpose of brine production through the extraction of the bromine and lithium from such production. Saltwerx expresses its desire to work collaboratively with TETRA to identify and align on viable financing solutions that equitably distribute risk for all stakeholders. The collaboration is aimed at enabling project success subject to due diligence, FEED, risk analysis, and achieving specific project milestones as mutually agreed by TETRA and Saltwerx.

2.3. The parties desire to work in good faith to negotiate the terms and conditions of the JV and Project Agreements which are mutually acceptable to the parties that are not inconsistent with the terms and conditions of this MOU.

3. Representations. Each party hereby represents to the other party that:

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(a)(b) It is a corporation it has full power and authority to carry on its business and to enter into this Agreement and any agreement or limited liability company, duly incorporated instrument referred to in or organized contemplated by this Agreement and validly existing under the laws to carry out and perform all of its obligations and duties hereunder; and

(c) it has financial capability to make all payments due to Underlying Owner or otherwise hereunder.

2.4 Each of the state Optionee and the Optionee Parent acknowledges and agrees that the Underlying Owner makes no representations or warranties except as set forth above, and that it expressly disclaims any representation or warranty (a) as to the possibility or merits of Commercial Production on the Leases; (b) otherwise with respect to the Extracted Minerals or Leases.

2.5 The representations and warranties set forth in Sections 2.1 through 2.3 shall survive for a period of (i) twelve (12) months following the Agreement Date.

ARTICLE 3 - DUE DILIGENCE; GRANT OF OPTION; CONSIDERATION

3.1 Optionee shall have until [***] to conduct due diligence concerning Underlying Owner's title to the Leases. If the Parties jointly agree that Underlying Owner's title is defective with respect to any Lease, Underlying Owner shall have 120 days after [***], to acquire sufficient acreage to cure the defects. If Underlying Owner is unable to cure such defects, Optionee shall have the right to either (i) terminate this Agreement with respect to the Leases that are defective, or (ii) accept Underlying Owner's title with respect to such Leases "AS IS, WHERE IS". NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, THE REMEDIES SET FORTH IN THIS SECTION 3.1 SHALL BE THE SOLE RE COURSE AND EXCLUSIVE REMEDY OF OPTIONEE AND/OR OPTIONEE PARENT IN THE EVENT OF UNDERLYING OWNER'S BREACH OF ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO TITLE CONCERNING ANY OF THE LEASES, WHETHER SUCH REPRESENTATION OR WARRANTY IS CONTAINED IN THIS AGREEMENT, ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY, OR OTHERWISE ARISES FROM THE TRANSACTIONS CONTEMPLATED HEREBY.

3.2 Subject to the terms and conditions of this Agreement, the Underlying Owner hereby grants the Option to the Optionee. The Option may only be exercised a single time after Optionee's completion of its incorporation or organization, as the case due diligence pursuant to Section 3.1, and may be and has all requisite authorizations required by applicable law to perform its obligations under this MOU.

(b) The execution, delivery and performance of this MOU by it have been duly authorized by all requisite corporate or limited liability company, as the case may be, action and will not (i) violate any provisions of its by-laws or other organizational documents, or (ii) result in a breach or acceleration of any performance required by the terms of any contract, agreement or arrangement to which it is a party, or any applicable laws.

(c) This MOU is valid and legally binding obligation of it, enforceable against it in accordance exercised with its terms, except as the enforceability thereof may be limited by applicable bankruptcy laws affecting creditors' rights generally and by general equitable principles, regardless of whether the issue of enforceability is considered in a proceeding in equity or at law.

(d) No consent, approval, authorization or permit of, or filing with or notification respect to any person portion, or entity (other than all, of the AOGC) is required for or in connection with the execution and delivery of this MOU by such party or for or in connection with its performance of any term or condition of this MOU.

4. Miscellaneous Provisions.

4.1. Leases, at Optionee's sole election. For the avoidance of doubt, the Parties agree that the Optionee may not exercise the Option with respect to a portion of any single Lease, and notwithstanding anything contained in this MOU that if the Optionee exercises the Option under a particular Lease, it must exercise the Option with respect to the contrary, entirety of any such Lease. Upon exercise

of the terms or provisions set forth in Option, all rights granted hereunder with respect to Leases that are not Exercised Leases at such time shall automatically terminate, and shall immediately cease and revert to Underlying Owner.

3.3 paragraph 2Upon Optionee's exercise of this MOU the Option, the Parties shall not constitute (x) a binding commitment or agreement on promptly commence the part of either party or (y) an agreement, an offer to enter into an agreement or an agreement to agree, and neither party shall make or assert anything following proceedings with respect to the contrary. Nothing in this MOU (i) obligates either party Exercised Leases:

- (a) Underlying owner shall deliver to enter into any agreement, negotiation, or transaction concerning the matters set forth in Optionee an executed Limited Mineral Assignment.
- (b) paragraph 2 of this MOU, or (ii) except Underlying Owner shall, at Optionee's sole expense, reasonably cooperate with Optionee to the extent provided in paragraph 1.4 of this MOU, (A) prevents either party from entering into any similar agreement, negotiation, or transaction with any third parties, or (B) limits either party's right necessary for Optionee to develop, acquire, or participate in any projects, transactions, markets, products, services or business arrangements. Neither party shall be bound by any JV and Project Agreement until such time, if any, that such party obtains all necessary internal and external approvals and consents to execute and deliver such JV and Project Agreement and a duly authorized officer of such party has executed the same.

4.2. This MOU does not create a partnership, joint venture or relationship of trust or agency between the parties. Neither party shall be authorized to act on behalf of obtain

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drilling permits and any other required regulatory approval for brine production wells and brine disposal wells to be utilized by Optionee in its Development Operations.

- (c) Underlying Owner shall, at Optionee's sole expense, reasonably cooperate with Optionee to the other, or extent necessary for Optionee to make representations or commitments of any kind on behalf secure administrative orders of the AOGC forming one or more brine production units to facilitate Development Operations and pooling all owners therein, including previously unleased brine owners and/or uncommitted brine leasehold owners.
- (d) Underlying Owner shall, at Optionee's sole expense, reasonably cooperate with Optionee to the extent necessary for Optionee to secure an order of the AOGC establishing an appropriate royalty payable to brine owners occasioned by Optionee's extraction of the Extracted Materials.

3.4 Underlying Owner expressly reserves, excepts, and retains all rights under the Leases, including, without limitation, exploration and production activities with regard to all minerals and chemical substances which may be produced from brine from the Leases, other party; except than Extracted Minerals.

3.5 In consideration for the grant of the Option hereunder, the Optionee shall make the following payments to the Underlying Owner in immediately available funds:

- (a) \$[**] on or before the date that subject to compliance is [**] following the Agreement Date;
- (b) an additional \$[**] on or before the date that is [**] months following the Agreement Date;
- (c) an additional \$[**] on or before the date that is [**] months following the Agreement Date;
- (d) an additional \$[**] on or before the date that is [**] months following the Agreement Date; and
- (e) additional annual payments of \$[**] on or before [**] beginning with the NDA (as defined below), nothing date that is [**] months following the Agreement Date, until the earlier of the expiration of the Exploratory Period or, if Optionee exercises the Option, the Optionee beginning payment of the Royalty.

3.6 The Underlying Owner acknowledges receipt of a payment of \$[**] from the Optionee Parent, which amount constitutes a non-refundable payment made in consideration of the Underlying Owner's execution of the MOU.

ARTICLE 4 - ROYALTY

4.1 During the Lease Period, at any time following the commencement of Commercial Production, the Optionee shall restrict TETRA from providing information or otherwise making disclosures as requested by or required pursuant to the Royalty to the rules Underlying Owner in accordance with Section 4.2. The Parties may agree to enter into a further agreement setting out the terms relating to the calculation and payment of the AOGC Royalty provided such agreement contains at a minimum the terms and conditions set out in this Article 4. If no such agreement is entered into by the Parties then this Agreement will continue to be binding in respect of the rights relating to the Royalty.

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4.3.4.2 Each party shall be responsible for its own expenses incurred paid by the Optionee to the Underlying Owner within thirty (30) days after the end of each calendar quarter.

4.3 In the event the aggregate Royalty paid to the Underlying Owner in connection with entering into this MOU and any calendar year does not exceed the transactions contemplated herein, including Minimum Royalty, the Optionee shall make an additional payment to the Underlying Owner within thirty (30) days after the end of such calendar year such that the total Royalty received by the Underlying Owner in that year equals the Minimum Royalty; provided that the amount of the JV and Project Agreements. Saltwerx will have Minimum Royalty shall be prorated for the right calendar year during which the Royalty first becomes payable. For greater certainty, except with respect to audit the first year that the Royalty is paid, in no circumstances shall the total Royalty received by the Underlying Owner in any calendar year be less than the Minimum Royalty.

4.4 Not later than one-hundred-twenty (120) days after the end of each calendar year with respect to which the Royalty is due, the books and records of TETRA the Optionee relating to confirm operations on the Exercised Leases and the statement of operations, which shall include the calculation of the Royalty for such year, shall be available for review by the Underlying Owner or its representatives. The Underlying Owner shall have sixty (60) days after review of such information to question the accuracy thereof in writing and, failing such objection, the statements shall be deemed to be correct thereafter.

4.5 If the Parties determine that any overpayment by the Optionee of the Royalty has occurred, the amount of the overpayment shall be deducted from future installments of the Royalty payable (including amounts payable pursuant to Section 4.3 hereof).

4.6 If Underlying Owner determines that any underpayment by the Optionee of the Royalty has occurred, the amount thereof shall be paid by the Optionee to the Underlying Owner promptly after notice thereof by Underlying Owner (but in any event within 30 calendar days following the date of such notice).

ARTICLE 5 - COVENANTS

5.1 Optionee agrees that, until [**] it shall not directly or indirectly contact or negotiate with the lessors under any of the Leases, or otherwise attempt to enter into brine leases or obtain similar rights from such lessors or the owners of the interests covered by the Leases, or to interfere with Underlying Owner's relationships with such lessors or owners without the prior written consent of Underlying Owner.

5.2 Underlying Owner agrees that:

- (a) provided Optionee is not in breach of Section 5.5, and subject to Section 5.8, to the extent within its control, it will use commercially reasonable efforts to (i) during the Exploratory Period, keep all Leases in good standing; and (ii) after exercise of the Option, keep the Exercised Leases in good standing during the Lease Period; and
- (b) it will not actively engage in the production of Extracted Materials from brine produced from the Leases (during the Exploratory Period) or the Exercised Leases (after exercise of the Option), except as a by-product of operations conducted by the Underlying Owner on lands comprising the Leases (during the Exploratory Period) or the Exercised Leases (after

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exercise of the Option). If produced, Underlying Owner agrees not to sell any such by-product in competition with Optionee.

5.3 Underlying Owner hereby grants to Optionee, its employees and third-party contractors acting on behalf of Optionee, a limited license to conduct Exploratory Operations during the Exploratory Period.

5.4 If the Option is exercised, after execution by the Parties of the Limited Mineral Assignment, during the Lease Period, Underlying Owner grants to Optionee the right, power and authority, at its sole cost and expense, to do everything reasonably necessary or desirable to conduct the Development Operations on the Exercised Leases as they relate to the extraction of Extracted Materials, including the right, power and authority to:

- (a) access the property comprising the Exercised Leases;
- (b) employ and engage such employees, agents and independent contractors as the Optionee may consider necessary or advisable to carry out Development Operations on the Exercised Leases and in this connection to delegate any of its powers and rights to perform its duties and obligations hereunder;
- (c) develop and construct any facilities for extraction, transportation, processing and refining of Extracted Materials from brine produced from the Exercised Leases, provided that (i) the siting of any such facilities on the lands constituting the Exercised Leases has been approved in advance in writing by the Underlying Owner, which approval shall not be unreasonably withheld, and (ii) that such Development Operations do not interfere with Underlying Owner's rights and activities under the Exercised Leases (or any other Leases); and
- (d) remove produced brine and Extracted Materials from the Leases;

provided, however that Underlying Owner shall at all times have the right to conduct operations on the lands comprising the Leases, and its rights to conduct operations shall in no event be subordinated to Optionee's Operations. Notwithstanding anything to the contrary in this Agreement, Optionee's rights, powers and authority with respect to the Exercised Leases are at all times subject to, and limited by, the terms of the Exercised Leases and all applicable laws, rules and regulations in effect from time to time, including those of the AOGC.

5.5 With respect to the Exercised Leases, the Optionee covenants to:

- (a) use its best efforts to minimize the impact of its Development Operations on operations of the Underlying Owner on the Exercised Leases as in effect as of the date hereof or in the future;
- (b) ensure that all amounts paid to TETRA hereunder were properly billed.

4.4. Except as set forth in Sections 1.5, 1.6 and 1.7, this MOU is Development Operations conducted on the lands subject to the Confidentiality Exercised Leases by the Optionee, and any of its employees, agents, consultants or contractors are conducted in a good and workmanlike manner in accordance with sound mining practices and industry standards and in accordance with all applicable laws and regulations governing the Exercised Leases, and consistent with appropriate health, safety and environmental considerations (for clarification, Underlying Owner has no responsibility or duty to supervise Optionee's or Optionee Parent's operations or safety and health programs);

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- (c) pay all expenses incurred or authorized by the Optionee in respect of all operations conducted by the Optionee on or with respect to the Exercised Leases in a timely fashion, and ensure the Exercised Leases are kept free of any liens, charges and encumbrances

arising from such operations;

- (d) not less than ten (10) business days before payment is due, provide Underlying Owner with a detailed calculation of royalties due to Third Parties due to Optionee's Commercial Production;
- (e) timely reimburse Underlying Owner for lease delay rentals, and, when payment of royalties is required, either by the terms of the Exercised Leases or by order of the AOGC, not less than ten (10) business days before due, pay Underlying Owner necessary amounts (in accordance with Section 5.5(d)) in immediately available funds for royalties and other costs allocable to Commercial Production and otherwise payable by the Underlying Owner to the lessors of the Exercised Leases;
- (f) as soon as it is available, provide Underlying Owner with any and all reports containing production data reasonably required by Underlying Owner to confirm the amount in royalties paid by Underlying Owner on behalf of Optionee and, if Underlying Owner was required to pay more to Third Parties than the amount paid by Optionee to Underlying Owner pursuant to Section 5.5(e), promptly pay Underlying Owner the shortfall in immediately available funds;
- (g) pay all taxes owed in connection with Commercial Production (including but not limited to sales, use and severance taxes);
- (h) at the request of the Underlying Owner, provide Underlying Owner with samples of any brine produced under the Exercised Leases, for the purposes of testing and analysis; and
- (i) conduct Development Operations in accordance with the terms of this Agreement, ~~executed the Exercised Leases and all~~ applicable laws and regulations.

5.6

Contemporaneous Operations and Processing. The Parties contemplate that they shall each have a coequal right for Underlying Owner to conduct operations, and for Optionee to conduct Exploratory Operations on the Leases during the Exploratory Period. Furthermore, the Parties shall have a coequal right to conduct operations during the Lease Period on any Exercised Leases, and in no event shall Underlying Owner's right to operate on the lands comprising the Exercised Leases be subordinate to Optionee's Development Operations. In the event that Underlying Owner (or any third party acting by, through, or under the Underlying Owner) begins exploration or production activities of any kind on a portion of the Exercised Leases, Optionee shall have the same rights with respect to post-extraction brine so produced by the Underlying Owner (or any third party acting by, through, or under the Underlying Owner) solely with respect to the extraction of Extracted Materials as are granted to the Underlying Owner in Section 5.7(a).

5.7

Post-Extraction Brine.

- (a) The Underlying Owner may, at the Underlying Owner's sole option, require Optionee to deliver to Underlying Owner all or any part of the brine remaining after Optionee's extraction of Extracted Minerals. In that event, any cost of Underlying Owner's taking of such post-

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extraction brine, including, without limitation, transportation and further processing, shall be borne exclusively by the Underlying Owner.

- (b) Optionee shall dispose of all post-extraction brine, whether resulting from its Development Operations or Underlying Owner's operations with respect to the post-extraction brine identified in Section 5.7(a), into one or more brine disposal wells in compliance with the rules and regulations of those agencies having jurisdiction thereof including, without limitation, the AOGC and the Arkansas Department of Environmental Quality.
- (c) In the event that Development Operations conducted by the Optionee result in the extraction of by-product materials of commercial value which do not constitute Extracted Materials and which can otherwise be separated from the Extracted Materials, the Underlying Owner shall have the option to acquire such by-product materials at a rate, and on additional terms, to be negotiated between ~~TETRA~~ the Parties. If the Underlying Owner declines to exercise its option to acquire such by-product materials, they shall become part of post-extraction brine disposed of by Optionee.

5.8

Renewals.

- (a) Subject to Section 5.8(b), the Underlying Owner will use commercially reasonable efforts to renew (i) any of the Leases which would otherwise expire during the Exploratory Period, and (ii) if Commercial Production has not yet begun, on any of the Exercised Leases, on a form of renewal document which is substantially the same as that of the Ratification, Extension and Renewal of Brine Lease set forth on Exhibit C, or other form which is reasonably acceptable to both the Underlying Owner and the Optionee.
- (b) The Optionee will, promptly upon request from the Underlying Owner, reimburse the Underlying Owner for [***] percent ([***]%) of any portion of the renewal bonuses paid by the Underlying Owner to the lessors of the Leases (including any Exercised Leases) that exceeds, in the aggregate from the Agreement Date, \$[***] but does not exceed, in the aggregate, \$[***] and [***] dated March 20, 2023 ([***]%) of any amount in excess of \$[***] in the aggregate. Notwithstanding the terms of Section 5.8(a), Underlying Owner will not be obligated to renew any Leases which cannot, after reasonable negotiation efforts, be renewed for a renewal bonus of \$[***] or less per net brine acre covered by such Leases. In any event, any amounts in excess of \$[***] per net brine acre shall be the sole responsibility of Optionee. Underlying Owner will notify Optionee concerning any Leases which cannot be successfully renewed within the parameters above, after which Optionee may attempt to negotiate renewal of such Leases on any terms acceptable to Optionee. However, that portion of any renewal bonus which exceeds \$[***], per net brine acre shall become the sole expense of Optionee and shall not be considered in the computation of Optionee's duty to reimburse Underlying Owner pursuant to this Section 5.8.

5.9 If any regulation of the AOGC, or any applicable law or regulation, imposes any requirement on Underlying Owner to post any bond or security, or results in any additional obligation on Underlying Owner that is based on Optionee's activities under this Agreement, or on the lands comprising any Exercised Lease, the Parties shall promptly negotiate a mechanism for Optionee to satisfy all such requirements or obligations to Underlying Owner's reasonable

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satisfaction, under the principle that Optionee should bear such requirements or obligations at its sole expense and liability.

ARTICLE 6 - TERMINATION

6.1 Subject to the immediately following sentence, if at any time the Optionee fails to perform any obligation required to be performed by it hereunder, or the Optionee is otherwise in breach of a representation, warranty or a covenant given by it hereunder, then the Underlying Owner may terminate this Agreement, but only after it shall have first given written notice of default to the Optionee and the Optionee has not cured the default within sixty (60) calendar days following delivery of the notice of default. Furthermore, and notwithstanding anything to the contrary in the immediately preceding sentence, in the event that Optionee (i) does not pay any amounts to Underlying Owner under Section 3.5 when due, or (ii) fails to deliver to Underlying Owner the reports referenced in Section 5.5(f), then Underlying Owner shall have the right to terminate this Agreement, but only after it shall have first given written notice of default to the Optionee and the Optionee has not cured the default within fifteen (15) calendar days following delivery of the notice of default. In such event, Optionee hereby authorizes Underlying Owner to execute and record releases of all Limited Mineral Assignments made to Optionee, on Optionee's behalf. Such right to terminate this Agreement, whether or not exercised by Underlying Owner shall not be an exclusive remedy but is in addition to all other remedies which Underlying Owner might exercise.

6.2 Provided that the Option has not been exercised, Optionee may terminate this Agreement at any time after it makes the payment described in Section 3.5(b) by giving written notice of such termination to Underlying Owner not less than ninety (90) calendar days prior to the date that the next payment by Optionee is due under Section 3.5(c), Section 3.5(d) or Section 3.5(e), as the case may be. In such case, Optionee shall not be required to make any further payments under Section 3.5 after the date of such termination.

6.3 Notwithstanding any other provisions of this Agreement, in the event of termination of this Agreement, Optionee will at all times comply with (i) Section 5.1 and Section 11.6, and (ii) all applicable laws, rules and obligations, including those of the AOGC, the Arkansas Department of Environmental Quality, the terms of the Leases, and the common law of the State of Arkansas as it pertains to the plugging and abandonment of wells, removal of pipelines and surface equipment, and restoration of the surface of the lands on which the Optionee has conducted Exploratory Operations or Development Operations.

ARTICLE 7 - TRANSFERS

7.1 Except in the event of a transfer to an Affiliate or the Optionee Parent, the Optionee shall not be permitted to transfer all or any part of its rights or obligations under this Agreement without the prior written consent of the Underlying Owner, which consent shall not be

unreasonably withheld.

7.2 The Underlying Owner may assign, transfer and convey the Royalty, its interest in and to this Agreement, and the Leases to any Affiliate, provided that any such transferee agrees to be bound by the terms of this Agreement as though they were a Party to this Agreement, and the Underlying Owner provides prior written notice to the Optionee. Furthermore, the Underlying Owner may mortgage, pledge or charge the Royalty and its interest in and to

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this Agreement to any financial institution or other provider of debt or equity financing, or to any other person or entity.

ARTICLE 8 - CONFIDENTIAL INFORMATION

8.1 Except as required by law or the rules of an applicable stock exchange, during the term of this Agreement and for a period of [***] years after termination or expiry of this Agreement for any reason, the Parties shall keep confidential the terms of this Agreement and all Confidential Information.

8.2 During the term of this Agreement and for a period of [***] years after termination or expiry of this Agreement for any reason, Receiving Party agrees not to: (a) use Disclosing Party's Confidential Information for any reason, other than to carry out its activities and obligations under this Agreement; and (b) disclose Disclosing Party's Confidential Information to any individual or third party except to its employees, consultants, directors, attorneys, advisors and its Affiliates that (i) have a "need to know" such Confidential Information for furtherance of the Purpose, and (ii) are bound to confidentiality under terms no less protective than the terms of this Agreement (collectively, "**Authorized Recipients**"). Receiving Party shall implement and maintain appropriate organizational, technical, and administrative security measures, exercising the same degree of care in protecting Disclosing Party's Confidential Information that it uses for its own confidential information of a similar nature, but in no event less than reasonable care. Promptly after becoming aware of any unauthorized use or disclosure of, and/or unauthorized attempts to access or modify, any of Disclosing Party's Confidential Information in the custody or control of Receiving Party or its Authorized Recipients, Receiving Party shall notify Disclosing Party in writing and cooperate with Disclosing Party to investigate and mitigate any adverse effects therefrom. Receiving Party shall be responsible for any unauthorized use or disclosure of Confidential Information by any of its Authorized Recipients.

8.3 The Parties acknowledge and agree that any breach or threatened breach of this Article 8 by Receiving Party could cause harm to Disclosing Party for which money damages may not provide an adequate remedy. The Parties agree that in the event of such a breach or threatened breach of this Agreement, in addition to any other available remedies, Disclosing Party may seek temporary and permanent injunctive relief, without the necessity of posting a bond or other security, restraining Receiving Party from disclosing or using, in whole or in part, any Confidential Information.

ARTICLE 9 - NOTICES

9.1 Any notice or other writing required or permitted to be given hereunder or for the purposes of this Agreement to either the Underlying Owner, the Optionee, or the Optionee Parent, shall be sufficiently given if delivered personally or transmitted by facsimile:

- (a) In the case of a notice to the Underlying Owner, at its address shown on the first page of this Agreement, to the attention of [***], Vice-President – Chemicals. The facsimile number is (281) 364-4398.
- (b) In the case of a notice to the Underlying Owner, a copy of such notice shall be sent to the attention of the General Counsel, at its address shown on the first page of this Agreement. The facsimile number is (281) 364-4398.

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(c) In the case of a notice to the Optionee, or the Optionee Parent, at their address as shown on the first page of this Agreement, to the attention of [***], Chief Executive Officer. The facsimile number is [•].

or at such other address or addresses as the Parties to whom such writing is to be given shall have last notified the Party giving the same in the manner provided in this Section 9.1. Any notice delivered to the Party to whom it is addressed as provided in this Agreement shall be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a Business Day, then the notice shall be deemed to have been given and received on the Business Day next following such day. Any notice transmitted by facsimile shall be deemed to be given and received on the first Business Day after its transmission (provided that such facsimile is promptly followed by a mailed notice).

ARTICLE 10 - INDEMNIFICATION

10.1 The Underlying Owner agrees to release, defend, indemnify and hold each of the Optionee and the Optionee Parent harmless from and against any and all Claims arising from Environmental Liability suffered or incurred by either of the Optionee or the Optionee Parent to the extent arising from any operations or activities conducted by the Underlying Owner, or its employees or agents, in or on the property comprising the Leases.

10.2 The Optionee agrees to release, defend, indemnify and hold the Underlying Owner harmless from and against any and all Claims arising from Environmental Liability suffered or incurred by the Underlying Owner to the extent arising from any operations or activities conducted by the Optionee, or its employees or agents, in or on the property comprising the Leases.

10.3 The Underlying Owner shall release, defend, indemnify and hold the Optionee Group harmless from and against any and all Claims brought by any person, party or entity, arising out of (1) injury to, sickness, disease or death of any member of Underlying Owner Group, and/or (2) damage to or loss or destruction of property owned, leased, rented, hired or chartered by any member of Underlying Owner Group arising out of this Agreement, **REGARDLESS OF FAULT**.

10.4 The Optionee shall release, defend, indemnify and hold Underlying Owner Group harmless from and against any and all Claims brought by any person, party or entity, arising out of (1) injury to, sickness, disease or death of any member of Optionee Group, and/or (2) damage to or loss or destruction of property owned, leased, rented, or hired by any member of Optionee Group, arising out of the performance of this Agreement, **REGARDLESS OF FAULT**.

10.5 Each Party (the "**NDA Indemnitor**"). Other than shall release, defend, indemnify and hold harmless the other Party (the "**Indemnitee**") and its respective Group from and against any and all Claims for personal injury to, illness or death of any Third Party, or for damage to or loss or destruction of the property of any Third Party, to the extent required that any such Claim arises out of Indemnitor's activities under this Agreement (including, without limitation, Optionee's Exploratory Operations and Development Operations) and is attributable to the negligence, strict liability, or other fault of the Indemnitor or any member of its respective Group.

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10.6 The indemnities in this Agreement shall only be effective to the maximum extent permitted by applicable law. If any law is enacted in any state that limits in any way the extent of which indemnification may be provided to an indemnitee and such law is applicable to activities undertaken pursuant to this Agreement, then the Agreement shall automatically be amended to provide that the indemnification given hereunder shall extend only to the maximum extent permitted by such law.

10.7 Each Party shall support its indemnity obligations hereunder with the minimum insurance requirements set forth on Exhibit D for the duration of this Agreement. Except to the extent mandated by law, the minimum insurance requirements hereunder are not intended to limit, in any way, the indemnity obligations set forth above.

10.8 If indemnification pursuant to this Article 10 is sought, the Indemnitee shall give written notice to the Indemnitor of an event giving rise to the obligation to indemnify, describing in reasonable detail the factual basis for such claim, and shall allow the Indemnitor to assume and conduct the defense of the claim or action with counsel reasonably satisfactory to the Indemnitee, and shall cooperate with the Indemnitor in the defense thereof; *provided*, however, that the omission to give such notice to the Indemnitor shall not relieve the Indemnitor from any liability which it may have to the Indemnitee, except to the extent that the Indemnitor is prejudiced by the failure to give such notice. The Indemnitee shall have the right to employ separate counsel to represent the Indemnitee if the Indemnitee is advised

by counsel that an actual conflict of interest makes it advisable for the Indemnitee to be represented by separate counsel, and the reasonable expenses and fees of such separate counsel shall be paid by the Indemnitor.

ARTICLE 11 - GENERAL

11.1 No consent or waiver expressed or implied by any Party in respect of any breach or default by any other Party in the performance by such other of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach of default.

11.2 No investigation made by or on behalf of the Parties or any of their respective advisors or agents at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made or incorporated by reference herein by the other Parties to this Agreement or made pursuant thereto. No waiver by the Parties of any condition, in whole or in part, shall operate as a waiver of any other condition.

11.3 All statements contained in any certificate or other instrument delivered by or on behalf of any Party pursuant to this Agreement or in connection with disclosure obligations (including the transactions contemplated by this Agreement) shall be deemed to be made by such Party hereunder.

11.4 The Parties shall promptly execute or cause to be executed all documents, deeds, conveyances and other instruments of further assurance and do such further and other acts which may be reasonably necessary or advisable to carry out fully and effectively the intent and purpose of this Agreement or to record wherever appropriate the respective interests from time to time of the Parties in any press releases made the Leases.

11.5 Each Party will bear its own expenses in connection with the transactions contemplated by this Agreement, including, without limitation, the costs and

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expenses of all attorneys, engineers, brokers, investment bankers, agents and finders employed by such disclosure obligations) under Party; provided that the rules or regulations Optionee Parent shall reimburse the Underlying Owner for [***] ([***]%) of the Securities costs and Exchange Commission ("SEC") applicable to expenses of legal counsel retained by the parties hereto, neither party shall make any public announcement about the execution of this MOU. If a public announcement is required Underlying Owner in connection with SEC rules or regulations, the disclosing party agrees this Agreement, to reasonably cooperate with the other party as a maximum reimbursement amount of \$[***].

11.6 Unless earlier terminated pursuant to the content terms hereof, this Agreement shall remain in full force and effect for the duration of such public announcement, subject the life of any Exercised Leases. Notwithstanding anything to the disclosing parties contrary herein, (i) all covenants of the Parties shall survive any termination of this Agreement for the duration of the obligation to satisfy legal of any such covenant, and (ii) all indemnity and defense obligations applicable to it on a timely basis, of the Parties shall survive indefinitely.

11.7 This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

4.5.11.8 If the parties cannot reach agreement on the definitive JV and Project Agreements within 365 days after the Execution Date, then the provisions of paragraph 2 hereof shall be disregarded in their entirety.

4.6. This MOU Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without giving effect and the Parties submit to the exclusive jurisdiction of the courts of the State of Texas in respect of all disputes arising hereunder, provided that any choice or conflict issues related to title of law provision or rule that would cause the application of laws of another jurisdiction.

4.7. Nothing herein is intended or Leases shall be construed in accordance with the laws of the State of Arkansas.

11.9 Neither Party shall be entitled to confer upon recover from the other, or their respective Affiliates, any person special, indirect, consequential, punitive, exemplary, remote or entity other than the parties and their permitted successors speculative damages, or assigns, damages for lost profits of any rights or remedies kind arising under or in connection with this Agreement or the transactions

contemplated hereby, except to the extent any such Party suffers such damages to a Third Party, which damages (including costs of defense and reasonable attorneys' fees incurred in connection with defending against such damages) shall not be excluded by this provision as to recovery hereunder. Subject to the preceding sentence, Underlying Owner, on behalf of each member of the Underlying Owner Group, and Optionee, on behalf of each member of the Optionee Group, waive any right to recover special, indirect, consequential, punitive, exemplary, remote or speculative damages, or damages for lost profits of any kind, arising in connection with or with respect to this Agreement or the transactions contemplated hereby.

11.10 Time shall be of the essence in this Agreement.

11.11 The preamble and Schedules attached to this Agreement shall be deemed to be incorporated in, and to form part of, this MOU (including without limitation any Agreement).

11.12 Wherever the neuter and singular is used in this Agreement it shall be deemed to include the plural, masculine and feminine, as the case may be.

11.13 The word "or" shall not be exclusive and the word "including" shall not be limiting (whether or not non-limiting language such as "without limitation" or "but not limited to" or other participating or non-participating owner within the Amended Brine Unit words of similar import is used with reference thereto).

4.8.11.14 Neither Nothing contained in this MOU, nor any rights or obligations hereunder, may be assigned, delegated or conveyed by either party without the prior written consent of the other party, which may nor to create any fiduciary relationship between them, nor, except as otherwise herein expressly provided, to constitute either the Optionee, the Optionee Parent or the Underlying Owner as the agent or legal representative of the other. It is not the intention of the Parties to this Agreement to create, nor shall this Agreement be withheld, conditioned or construed to create, any partnership or delayed at such other party's sole discretion.

4.9. This MOU may not be altered, changed, agency relationship between any of the Parties. None of the Parties shall have any authority to act for or amended, except by an instrument in writing executed by both parties. No failure to assume any obligation or delay of any party in exercising any

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right hereunder shall operate responsibility on behalf of the other Parties, except as a waiver hereof, nor shall any single or partial exercise of any such right, or discontinuance of steps to enforce such right, preclude any other or future exercise thereof.

otherwise expressly provided herein.

4.10.11.15 This MOU and the exhibits hereto constitute the entire agreement between the parties with respect to the subject matter hereof, and all prior correspondence, draft agreements, and all other communications prepared or exchanged in the course of discussions or understandings with respect to this MOU, are superseded by this MOU and all exhibits hereto, other than the NDA which shall remain in full force and effect notwithstanding the terms set forth in this MOU. In the event of any conflict between this MOU (or any portion hereof) and the Brine Unit Operating Agreement, the terms of this MOU shall prevail.

4.11. Any notice or other communication required in connection with this MOU shall be delivered in writing and shall be delivered by registered mail, by expedited delivery services or by email. Subject to the remaining provisions of this paragraph 4.11, any such notice or communication shall be deemed given upon its delivery at the following address (or at such other address for delivery that a party may notify the other in accordance with this paragraph 4.11):

If to TETRA:

TETRA Technologies, Inc.
24955 Interstate 45 North
The Woodlands, TX 77380

Attention: General Counsel

Email: [***]

If to Saltwerx:

Saltwerx LLC

[***]

Attention [***]

Email: [***]

A notice shall be effective and deemed properly given: (i) if delivered before or during business hours of the receiving party on a business day, then at the later of 10:00 a.m. (receiver time) on the same business day or at the time and date of delivery; or (ii) if delivered other than before or during business hours on a business day, then at 10:00 a.m. (receiver time) on the next business day after the delivery. Delivery by email shall occur when the sender receives confirmation of the receiving party's receipt of such email (and the recipient shall promptly respond to the sender's email with such confirmation of receipt).

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4.12. In the event that any paragraph, provision or part of this MOU is held by a court or arbitral tribunal to be void, invalid, illegal or unenforceable in any respect under any applicable law, such provision shall be stricken/severed from this Agreement, and the remainder validity, legality and enforceability of the remaining provisions hereof shall continue not be affected or impaired by reason thereof.

11.16 The Parties acknowledge that they have each had the opportunity to consult with independent counsel in full force connection with the transactions contemplated by this Agreement and effect this Agreement is the result of the informed negotiation between the Parties. Therefore this Agreement should not be construed against either Party by virtue of such Party having been its drafter.

4.13.11.17 This MOU Agreement may be executed signed by the Parties in counterparts and may be delivered by facsimile or other form of electronic transmission, each of which shall when delivered will be deemed to be an original but and all of which together shall will constitute one agreement instrument.

[Signature Page Follows] to Follow]

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Execution Copy

IN WITNESS WHEREOF TETRA and Saltwerx the Parties to this Agreement have caused executed this MOU to be executed Agreement as of the date day and year first written above, above written.

TETRA TECHNOLOGIES, INC.

By:

Jim Funke, Vice President – Chemicals

ARKANSAS LITHIUM CORP.

By: */s/ Brady M.*
Murphy
Name: *Brady M.*

Title: *President &*
Chief
Executive
Officer *Robert*
Mintak,
Director

SALTWERX LLC

STANDARD LITHIUM LTD.

By: */s/ [***]*
Name: *[***]*
Title: *[***] Robert*
Mintak,
Chief
Executive
Officer

Signature Page to Memorandum of Understanding

Exhibit 31.1

Certification Pursuant to
Rule 13a-14(a) or 15d-14(a) of the Exchange Act
As Adopted Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Brady M. Murphy, certify that:

1. I have reviewed this report on Form 10-Q for the fiscal quarter ended *June 30, 2023* *September 30, 2023*, of TETRA Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
- d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

- a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: **July 31, October 30, 2023**

/s/Brady M. Murphy

Brady M. Murphy
President and
Chief Executive Officer

Exhibit 31.2

Certification Pursuant to
Rule 13a-14(a) or 15d-14(a) of the Exchange Act
As Adopted Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Elijo V. Serrano, certify that:

1. I have reviewed this report on Form 10-Q for the fiscal quarter ended **June 30, 2023** September 30, 2023, of TETRA Technologies, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

- a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: **July 31, October 30, 2023**

/s/Elijio V. Serrano

Elijio V. Serrano

Senior Vice President and Chief Financial Officer

Exhibit 32.1

Certification Pursuant to
18 U.S.C. Section 1350
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of TETRA Technologies, Inc. (the "Company") on Form 10-Q for the period ending **June 30, 2023** **September 30, 2023** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brady M. Murphy, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: **July 31, October 30, 2023**

/s/Brady M. Murphy

Brady M. Murphy

President and Chief Executive Officer

TETRA Technologies, Inc.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Certification Pursuant to
18 U.S.C. Section 1350
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of TETRA Technologies, Inc. (the "Company") on Form 10-Q for the period ending **June 30, 2023** **September 30, 2023** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Elijio V. Serrano, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: **July 31**, **October 30, 2023**

/S/Elijio V. Serrano

Elijio V. Serrano

Senior Vice President and Chief Financial Officer

TETRA Technologies, Inc.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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