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As filed with the Securities and Exchange Commission on October 6, 2015

File No. 001-36875

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 5
to

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or 12(g)
of the Securities Exchange Act of 1934

Exterran Corporation*
(Exact name of registrant as specified in its charter)

Delaware (State of incorporation or organization)	**47-3282259** (I.R.S. Employer Identification No.)
4444 Brittmoore Road **Houston, Texas** (Address of principal executive offices)	**77041** (Zip Code)

Registrant's telephone number, including area code: **(281) 854-3000**

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

Title of Each Class to be so Registered	Name of Each Exchange on which Each Class is to be Register
Common Stock, par value $0.01 per share	

Securities to be registered pursuant to Section 12(g) of the Act:
None

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

Large accelerated filer o	Accelerated filer o	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company o

* The registrant was formerly named Exterran SpinCo, Inc. Effective as of May 18, 2015, the registrant changed its name to Exterran Corporation.

Cross-Reference Sheet Between the Information Statement and Items of Form 10
Information Included in the Information Statement and Incorporated by Reference into the Registration Statement on Form 10

Certain information required to be included herein is incorporated by reference to specifically identified portions of the body of the information statement filed herewith as Exhibit 99.1. None of the information contained in the information statement shall be incorporated by reference herein or deemed to be a part hereof unless such information is specifically incorporated by reference.

Item 1. ***Business.***

The information required by this item is contained under the sections of the information statement entitled "Questions and Answers About the Spin-Off," "Summary," "Risk Factors," "Cautionary Statement Concerning Forward-Looking Statements," "The Spin-Off," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business," "Relationship with Archrock After the Spin-Off" and "Where You Can Find More Information" and is incorporated herein by reference.

Item 1A. ***Risk Factors.***

The information required by this item is contained under the sections of the information statement entitled "Risk Factors" and "Cautionary Statement Concerning Forward-Looking Statements" and is incorporated herein by reference.

Item 2. ***Financial Information.***

The information required by this item is contained under the sections of the information statement entitled "Summary," "Capitalization," "Selected Historical Combined Financial Data," "Unaudited Pro Forma Condensed Combined Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and is incorporated herein by reference.

Item 3. ***Properties.***

The information required by this item is contained under the sections of the information statement entitled "Business—Properties" and is incorporated herein by reference.

Item 4. ***Security Ownership of Certain Beneficial Owners and Management.***

The information required by this item is contained under the section of the information statement entitled "Security Ownership of Certain Beneficial Owners and Management" and is incorporated herein by reference.

Item 5. ***Directors and Executive Officers.***

The information required by this item is contained under the section of the information statement entitled "Management" and is incorporated herein by reference.

Item 6. ***Executive Compensation.***

The information required by this item is contained under the section of the information statement entitled "Executive Compensation" and is incorporated herein by reference.

Item 7. ***Certain Relationships and Related Transactions.***

The information required by this item is contained under the sections of the information statement entitled "Certain Relationships and Related Transactions" and "Relationship with Archrock After the Spin-Off" and is incorporated herein by reference.

Item 8. ***Legal Proceedings.***

The information required by this item is contained under the section of the information statement entitled "Business—Legal Proceedings" and is incorporated herein by reference.

Item 9. ***Market Price of, and Dividends on, the Registrant's Common Equity and Related Shareholder Matters.***

The information required by this item is contained under the sections of the information statement entitled "Summary," "The Spin-Off," "Dividend Policy" and "Description of Capital Stock" and is incorporated herein by reference.

Item 10. ***Recent Sales of Unregistered Securities*****.**

The information required by this item is contained under the section of the information statement entitled "Description of Material Indebtedness" and is incorporated herein by reference.

Item 11. ***Description of Registrant's Securities to be Registered.***

The information required by this item is contained under the sections of the information statement entitled "The Spin-Off," "Dividend Policy" and "Description of Capital Stock" and is incorporated herein by reference.

Item 12. ***Indemnification of Directors and Officers.***

The information required by this item is contained under the sections of the information statement entitled "Description of Capital Stock—Limitation on Liability of Directors, Indemnification of Directors and Officers and Insurance" and is incorporated herein by reference.

Item 13. ***Financial Statements and Supplementary Data.***

The information required by this item is contained under the section of the information statement entitled "Index to Financial Statements" and the financial statements referenced therein and is incorporated herein by reference.

Item 14. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.***

None.

Item 15. Financial Statements and Exhibits.

(a) Financial Statements

The information required by this item is contained under the section of the information statement entitled "Index to Financial Statements" and the financial statements referenced therein and is incorporated herein by reference.

(b) Exhibits

The following documents are filed as exhibits hereto:

Exhibit Number	Exhibit Description
2.1††	Form of Separation and Distribution Agreement.
3.1*	Form of Amended and Restated Certificate of Incorporation of Exterran Corporation.
3.2*	Form of Amended and Restated Bylaws of Exterran Corporation.
4.1*	Form of Common Stock Certificate.
4.2††	Amended and Restated Credit Agreement, dated as of October 5, 2015, by and among Exterran Corporation, Exterran Energy Solutions, L.P., the lenders from time to time party thereto and Wells Fargo Bank, National Association, as administrative agent.
10.1*††	Form of Transition Services Agreement.
10.2*††	Form of Employee Matters Agreement.
10.3*††	Form of Tax Matters Agreement.
10.4*††	Form of Supply Agreement.
10.5*††	Form of Services Agreement (with respect to services provided by a subsidiary of Exterran Corporation).
10.6*††	Form of Services Agreement (with respect to services provided by a subsidiary of Archrock, Inc.).
10.7*	Form of Storage Agreement (with respect to storage provided by a subsidiary of Exterran Corporation).
10.8*	Form of Storage Agreement (with respect to storage provided by subsidiaries of Archrock, Inc. and Archrock Partners, L.P.).
10.9*†	Form of Exterran Corporation Stock Incentive Plan.
10.10*†	Form of Change of Control Agreement.
10.11*†	Form of Severance Benefit Agreement.
10.12*†	Form of Indemnification Agreement.
10.13*†	Employment Letter by and between Exterran Holdings, Inc. and Andrew J. Way, dated as of June 3, 2015.
21.1	List of Subsidiaries.
99.1	Information Statement of Exterran Corporation, preliminary and subject to completion, dated as of October 6, 2015.

* Previously filed.

† Management contract or compensatory plan or arrangement.

†† Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any omitted schedules to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: October 6, 2015

Exterran Corporation

By: /s/ JON C. BIRO

Name: Jon C. Biro
Title: *Senior Vice President and Chief Financial Officer*

EXHIBIT INDEX

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QuickLinks

Item 1. Business.
Item 1A. Risk Factors.
Item 2. Financial Information.
Item 3. Properties.
Item 4. Security Ownership of Certain Beneficial Owners and Management.
Item 5. Directors and Executive Officers.
Item 6. Executive Compensation.
Item 7. Certain Relationships and Related Transactions.
Item 8. Legal Proceedings.
Item 9. Market Price of, and Dividends on, the Registrant's Common Equity and Related Shareholder Matters.
Item 10. Recent Sales of Unregistered Securities .
Item 11. Description of Registrant's Securities to be Registered.
Item 12. Indemnification of Directors and Officers.
Item 13. Financial Statements and Supplementary Data.
Item 14. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.
Item 15. Financial Statements and Exhibits.

SIGNATURES
EXHIBIT INDEX

Exhibit 2.1

SEPARATION AND DISTRIBUTION AGREEMENT

BY AND AMONG

EXTERRAN HOLDINGS, INC.
(to be renamed Archrock, Inc.)

EXTERRAN GENERAL HOLDINGS LLC

EXTERRAN ENERGY SOLUTIONS, L.P.

EXTERRAN CORPORATION

AROC CORP.

EESLP LP LLC

AROC SERVICES GP LLC

AROC SERVICES LP LLC

AND

ARCHROCK SERVICES, L.P.

DATED AS OF [·], 2015

TABLE OF CONTENTS

ARTICLE I. DEFINITIONS		3
ARTICLE II. FIRST CONTRIBUTION		19
2.1	Assets	19
2.2	Liabilities	20
2.3	Allocation of Assets and Liabilities	22
2.4	Transfer of Controlled Assets and Assumption of Controlled Liabilities	23
2.5	Transfer of SpinCo Assets and Assumption of SpinCo Liabilities	25
2.6	Approvals and Notifications	26
2.7	Novation of Controlled Liabilities	28
2.8	Novation of SpinCo Liabilities	28
2.9	Termination of Agreements	29
2.10	Treatment of Shared Contracts	30
2.11	Bank Accounts; Cash Balances	31
2.12	Other Ancillary Agreements; Effect of Ancillary Agreements	33
2.13	Disclaimer of Representations and Warranties	33
ARTICLE III. COMPLETION OF THE INTERNAL DISTRIBUTION		33
ARTICLE IV. SECOND CONTRIBUTION		34
4.1	Contribution to SpinCo	34
4.2	Approvals and Notifications	35
4.3	Name and Marks	36
4.4	Treatment of Shared Intellectual Property	37
4.5	Novation of SpinCo Specified Liabilities	37
ARTICLE V. COMPLETION OF THE EXTERNAL DISTRIBUTION		38
5.1	Actions Prior to the External Distribution	38
5.2	Effecting the External Distribution	39
5.3	Conditions to the External Distribution	40
5.4	Sole Discretion	42
5.5	Closing	42
ARTICLE VI. DISPUTE RESOLUTION		42
6.1	General Provisions	42
6.2	Consideration by Senior Executives	43
6.3	Arbitration	43
6.4	Allocation of Undetermined Liabilities and Third-Party Claims	45

ARTICLE VII. MUTUAL RELEASES; INDEMNIFICATION; COOPERATION; INSURANCE 45

7.1 Release of Claims Prior to External Distribution 45
7.2 Indemnification by Controlled 48
7.3 Indemnification by EESLP 48
7.4 Indemnification Obligations Net of Insurance Proceeds 49
7.5 Procedures for Indemnification of Third-Party Claims 50
7.6 Additional Matters 52
7.7 Remedies Cumulative 53
7.8 Survival of Indemnities 53
7.9 Guarantees, Letters of Credit and Other Obligations 54
7.10 Right of Contribution 55
7.11 No Impact on Third Parties 55
7.12 No Cross-Claims or Third-Party Claims 55
7.13 Severability 56
7.14 Ancillary Agreements 56
7.15 Cooperation in Defense and Settlement 56
7.16 Insurance Matters 57

ARTICLE VIII. EXCHANGE OF INFORMATION; CONFIDENTIALITY 58

8.1 Agreement for Exchange of Information 58
8.2 Ownership of Information 59
8.3 Compensation for Providing Information 59
8.4 Record Retention 59
8.5 Limitations of Liability 59
8.6 Other Agreements Providing for Exchange of Information 60
8.7 Auditors and Audits; Annual and Quarterly Financial Statements and Accounting 60
8.8 Cooperation 62
8.9 Privileged Matters 62
8.10 Confidentiality 64
8.11 Protective Arrangements 65

ARTICLE IX. FURTHER ASSURANCES AND ADDITIONAL COVENANTS 66

9.1 Further Assurances 66
9.2 Performance 67
9.3 Certain Non-Competition Provisions 67
9.4 Non-Solicitation of Employees 69
9.5 Order of Precedence 69
9.6 Warranty of Compressor Units 69
9.7 Contingent Financing Payment 71
9.8 Additional Contribution 72

ARTICLE X. TERMINATION 72

ARTICLE XI. MISCELLANEOUS 73

11.1 Counterparts; Entire Agreement; Corporate Power 73
11.2 Governing Law 73
11.3 Assignability 74
11.4 Third-Party Beneficiaries 74
11.5 Notices 74
11.6 Severability 75
11.7 Force Majeure 75
11.8 Publicity 75
11.9 Expenses 75
11.10 Late Payments 76
11.11 Headings 76
11.12 Survival of Covenants 76
11.13 Waivers of Default 76
11.14 Specific Performance 76
11.15 Amendments 76
11.16 Interpretation 77
11.17 Exclusivity of Tax Matters 77
11.18 Limitations of Liability 77

Schedules
Schedule 1.1A Controlled Intellectual Property
Schedule 1.1B Insurance Policies

Schedule 1.1C	Contracts
Schedule 1.1D	Properties
Schedule 1.1E	Controlled Software
Schedule 1.1F	SpinCo Specified Liabilities
Schedule 1.1G	Businesses Excluded from SpinCo Business
Schedule 1.1H	Shared Liabilities
Schedule 1.1I	SpinCo Intellectual Property
Schedule 1.1J	SpinCo Specified Assets
Schedule 1.1K	SpinCo Employees
Schedule 1.1L	RemainCo Employees
Schedule 1.1M	Additional Procedures Related to Additional Contribution
Schedule 2.1(a)(i)	Controlled Assets
Schedule 2.1(a)(ii)(B)	Transferred Controlled Entities
Schedule 2.1(b)(i)	SpinCo Assets
Schedule 2.1(b)(ii)(B)	SpinCo Entities
Schedule 2.2(a)(i)	Controlled Liabilities
Schedule 2.2(b)(i)	SpinCo Liabilities
Schedule 2.9(b)(ii)	Surviving Agreements between SpinCo Group and RemainCo Group
Schedule 2.9(b)(iv)	Surviving Intercompany Accounts Payable or Accounts Receivable
Schedule 2.10(a)	Shared Contracts
Schedule 4.4(a)	Shared Intellectual Property
Schedule 7.5(g)	Special Provisions Applicable to Certain Pending Third-Party Claims
Schedule 7.9(a)(i)	Guarantees from which the SpinCo Group is to be Removed
Schedule 7.9(a)(ii)	Guarantees from which the RemainCo Group is to be Removed

Schedule 7.9(c)	RemainCo Group Guarantees to be Indemnified by SpinCo
Schedule 11.9(a)(ii)	Spin Costs and Expenses

Exhibits

Exhibit A	Restructuring Steps Memorandum
Exhibit B	Employee Matters Agreement
Exhibit C	EESLP Services Agreement
Exhibit D	OpCo Services Agreement
Exhibit E	Supply Agreement
Exhibit F	Tax Matters Agreement
Exhibit G	Transition Services Agreement
Exhibit H	Amended and Restated Certificate of Incorporation
Exhibit I	Amended and Restated Bylaws
Exhibit J	Joint Intellectual Property Agreement
Exhibit K	OpCo Storage Agreement
Exhibit L	EESLP Storage Agreement

SEPARATION AND DISTRIBUTION AGREEMENT

This SEPARATION AND DISTRIBUTION AGREEMENT is entered into effective as of [·], 2015 (this "***Agreement***"), by and among Exterran Holdings, Inc., a Delaware corporation ("***RemainCo***"), Exterran General Holdings LLC, a Delaware limited liability company and wholly owned subsidiary of RemainCo ("***General Holdings***"), Exterran Energy Solutions, L.P., a Delaware limited partnership and indirect wholly owned subsidiary of RemainCo ("***EESLP***"), Exterran Corporation, a Delaware corporation and wholly owned subsidiary of RemainCo ("***SpinCo***"), AROC Corp., a Delaware corporation and wholly owned subsidiary of EESLP ("***Controlled***"), EESLP LP LLC, a Delaware limited liability company and wholly owned subsidiary of SpinCo ("***EESLP LP***"), AROC Services GP LLC, a Delaware limited liability company and wholly owned subsidiary of Controlled ("***Controlled GP***"), AROC Services LP LLC, a Delaware limited liability company and wholly owned subsidiary of Controlled ("***Controlled LP***"), and Archrock Services, L.P., a Delaware limited partnership owned and indirect wholly owned subsidiary of Controlled ("***OpCo***"). RemainCo, General Holdings, EESLP, SpinCo, Controlled, EESLP LP, Controlled GP, Controlled LP and OpCo are each a "***Party***" and are sometimes referred to herein collectively as the "***Parties***." Capitalized terms used herein and not otherwise defined shall have the respective meanings assigned to them in Article I.

R E C I T A L S

WHEREAS, RemainCo owns (i) all of the issued and outstanding shares of common stock, par value $0.01 per share, of SpinCo ("***SpinCo Common Stock***"), (ii) all of the outstanding membership interests in General Holdings (the "***General Holdings Interest***") and (iii) all of the outstanding limited partner interests in EESLP (the "***EESLP Interest***" and, together with the General Holdings Interest, the "***SpinCo Contributed Interests***");

WHEREAS, General Holdings is the sole general partner of EESLP;

WHEREAS, EESLP owns all of the issued and outstanding shares of common stock, par value $0.01 per share, of Controlled ("***Controlled Common Stock***");

WHEREAS, Controlled owns all of the outstanding limited liability company interests in (i) Controlled GP, which is the sole general partner of OpCo, and (ii) Controlled LP, which owns all of the outstanding limited partner interests in OpCo;

WHEREAS, SpinCo owns all of the outstanding limited liability company interests in EESLP LP;

WHEREAS, the Board of Directors of RemainCo (the "***RemainCo Board***") has determined that it is appropriate, advisable and in the best interests of RemainCo and its stockholders for RemainCo to separate the SpinCo Business from the RemainCo Business and to create a new publicly traded company that will operate the SpinCo Business;

WHEREAS, SpinCo has been incorporated for the purpose of operating the SpinCo Business after the External Distribution and has not engaged in activities except in preparation

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for its corporate reorganization (including activities with respect to the SpinCo Credit Facility) and the distribution of the SpinCo Common Stock;

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, EESLP shall contribute the Controlled Assets and Controlled Liabilities, including the Outstanding Mirror Note Balance (as defined herein), to Controlled as a capital contribution (the "***First Contribution***");

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, Controlled shall contribute the Controlled Assets and Controlled Liabilities previously received by Controlled from EESLP, to Controlled GP and Controlled LP, on a pro rata basis, as a capital contribution;

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, Controlled GP and Controlled LP shall contribute the Controlled Assets and Controlled Liabilities previously received by Controlled GP and Controlled LP from Controlled to OpCo, on a pro rata basis, as a capital contribution;

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, EESLP shall distribute to RemainCo and General Holdings the Controlled Common Stock, through a spin-off, all of the outstanding shares of Controlled Common Stock (together with the First Contribution, the "***Internal Distribution***"), and General Holdings distributes the Controlled Common Stock owned by General Holdings to RemainCo;

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, RemainCo shall contribute the SpinCo Contributed Interests, the SpinCo Specified Assets and the SpinCo Intellectual Property to SpinCo in exchange for additional shares of SpinCo Common Stock and the assumption by SpinCo of the SpinCo Specified Liabilities (the "***Second Contribution***");

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, SpinCo shall contribute the EESLP Interest, the SpinCo Specified Assets, the SpinCo Specified Liabilities and the SpinCo Intellectual Property to EESLP LP as a capital contribution;

WHEREAS, on the terms and conditions set forth in this Agreement and in accordance with the Restructuring Steps Memorandum, EESLP LP shall contribute the SpinCo Specified Assets, the SpinCo Specified Liabilities and the SpinCo Intellectual Property to EESLP as a capital contribution;

WHEREAS, RemainCo currently intends that, on the Distribution Date, RemainCo shall distribute to holders of shares of RemainCo Common Stock, through a spin-off, all of the outstanding shares of SpinCo Common Stock, as more fully described in this Agreement and the Ancillary Agreements (together with the Second Contribution, the "***External Distribution***");

WHEREAS, in furtherance of the foregoing, the RemainCo Board has determined that it is appropriate, advisable and in the best interest of RemainCo and its stockholders for RemainCo

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and its applicable Subsidiaries to pursue, and hereby approves the pursuit of, the Internal Distribution and the External Distribution, in each case as more fully described in this Agreement and the Ancillary Agreements;

WHEREAS, for U.S. federal income tax purposes (i) the Internal Distribution should qualify under Sections 355 and 368(a)(1)(D) of the Code and (ii) the External Distribution should qualify under Sections 355 and 368(a)(1)(D) of the Code;

WHEREAS, in connection with the transactions contemplated hereby, Exterran Holdings, Inc. will be renamed "Archrock, Inc."; and

WHEREAS, it is appropriate and advisable to set forth the principal corporate transactions required to effect the Internal Distribution and the External Distribution and certain other agreements that will govern certain matters relating to the Internal Distribution and the External Distribution and the relationship of RemainCo, SpinCo and their respective Subsidiaries, following the External Distribution.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements, provisions and covenants contained in this Agreement, the Parties hereby agree as follows:

ARTICLE I.
DEFINITIONS

For the purpose of this Agreement, the following terms shall have the following meanings:

"***AAA Commercial Arbitration Rules***" shall have the meaning set forth in Section 4.3(a).

"***Action***" means any demand, action, claim, dispute, suit, countersuit, arbitration, inquiry, subpoena, proceeding or investigation of any nature (whether criminal, civil, legislative, administrative, regulatory, prosecutorial or otherwise) by or before any Governmental Authority or in any arbitration or mediation.

"***Additional Contribution***" means an amount in cash equal to a notional amount based on amounts due and owing by PDVSA to the applicable SpinCo Entity pursuant to the terms of the EXV Contract or the JV Contract or otherwise relating to the asset transfers that are the subject of those contracts.

"***Affiliate***" means, when used with respect to a specified Person, a Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person. For the purpose of this definition, "control" (including with correlative meanings, "controlled by" and "under common control with"), when used with respect to any specified Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or other interests, by contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment, undertaking or otherwise. It is expressly agreed that, from and after the Effective Time and for purposes of this Agreement and the Ancillary Agreements, no member of the SpinCo Group shall be deemed to

be an Affiliate of any member of the RemainCo Group, and no member of the RemainCo Group shall be deemed to be an Affiliate of any member of the SpinCo Group.

"***Agent***" means American Stock Transfer & Trust Co., LLC, as the distribution agent appointed by RemainCo to distribute to the stockholders of RemainCo all of the outstanding shares of SpinCo Common Stock pursuant to the External Distribution.

"***Agreement***" shall have the meaning set forth in the Preamble.

"***Allocable Portion***" means the portion of a Shared Liability for which RemainCo or SpinCo shall be responsible under Article VII hereof, which shall be allocated between such entities equally.

"***Amended Financial Report***" shall have the meaning set forth in Section 8.7(b).

"***Ancillary Agreements***" means the Employee Matters Agreement, the Joint Intellectual Property Agreement, the OpCo Service Agreement, the OpCo Storage Agreement, the EESLP Services Agreement, the EESLP Storage Agreement, the Supply Agreement, the Tax Matters Agreement, the Transition Services Agreement and the Transfer Documents.

"***Approvals or Notifications***" means any consents, waivers, approvals, permits or authorizations to be obtained from, notices, registrations or reports to be submitted to, or other filings to be made with, any third Person, including any Governmental Authority.

"***Assets***" means, with respect to any Person, the assets, properties, claims and rights (including goodwill) of such Person, wherever located (including in the possession of vendors or other third parties or elsewhere), of every kind, character and description, whether real, personal or mixed, tangible, intangible or contingent, in each case, whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of such Person, including, unless expressly set forth more specifically or to the contrary in this Agreement or any Ancillary Agreement, the following:

(a) all accounting and other books, records, ledgers and files whether in print, microfilm, microfiche, computer tape or disc, magnetic tape, electronic, written or any other form;

(b) all apparatus, computers and other electronic data processing and communications equipment, fixtures, machinery, equipment (including shop and office equipment), tools, furniture, automobiles, trucks, motor vehicles and other transportation equipment and other tangible personal property;

(c) all inventories of materials, parts, raw materials, components, supplies, works-in-process and finished goods and products;

(d) all interests in real property of whatever nature, including easements, whether as owner, mortgagee or holder of a Security Interest in real property, lessor, sublessor, lessee, sublessee or otherwise;

(e) (i) all interests in and rights with respect to any capital stock or other equity interests of any Subsidiary, Affiliate or any other Person, (ii) all bonds, notes, debentures or other securities issued by any Subsidiary, Affiliate or any other Person, (iii) all loans, advances or other extensions of credit or capital contributions to any Subsidiary, Affiliate or any other Person and (iv) all other investments in securities of any Person;

(f) all license agreements, leases of personal property, open purchase orders for raw materials, supplies, parts or services, unfilled orders for the manufacture and sale of products, and other contracts, agreements or commitments;

(g) all deposits, letters of credit and performance and surety bonds;

(h) all written (including in electronic form) or oral technical information, data, specifications, research and development information, engineering drawings and specifications, operating and maintenance manuals, and materials and analyses prepared by consultants and other third parties;

(i) all Intellectual Property;

(j) all Software;

(k) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, customer and vendor data, correspondence and lists, product data and literature, artwork, design, formulations and specifications, development and business process files and data, vendor and customer drawings, quality records and reports and other books, records, studies, surveys, reports, plans and documents;

(l) all prepaid expenses, trade accounts and other accounts and notes receivable;

(m) all rights under Contracts or agreements, all claims or rights against any Person arising from the ownership of any Asset, all rights in connection with any bids or offers and all claims, choses in action or similar rights whether sounding in tort, contract or otherwise, whether accrued or contingent;

(n) all rights under insurance policies and all rights in the nature of insurance, indemnification or contribution;

(o) all Permits;

(p) all cash or cash equivalents, bank accounts, brokerage accounts, lock boxes, and other third-party deposit arrangements; and

(q) all interest rate, currency, commodity or other swap, collar, cap or other hedging or similar agreements or arrangements.

"***Audited Party***" shall have the meaning set forth in Section 8.7(a)(ii).

"***Business Day***" means any day that is not a Saturday, Sunday or any other day on which banking institutions located in the State of Texas are required or authorized by Law to be closed.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Contingent Financing Payment***" means $25,000,000.

"***Contract***" means any written, oral, implied or other contract, agreement, covenant, lease, license, guaranty, indemnity, representation, warranty, assignment, sales order, purchase order, power of attorney, instrument or other commitment, assurance, undertaking or arrangement that is binding on any Person or entity or any part of its property under applicable Law.

"***Contractor***" shall mean, with respect to any SpinCo Entity or RemainCo Entity, any independent individual or agency personnel who works or has worked for such entity (including, without limitation, full-time, part-time or temporary workers). Contractors may include, without limitation, independent contractors who invoice a SpinCo Entity or a RemainCo Entity (as applicable) directly for services provided and agency workers for which the applicable agency invoices a SpinCo Entity or a RemainCo Entity (as applicable) for services provided. For the avoidance of doubt, Contractors shall not include third-party firms, vendors or other entities that provide services relating to a particular expertise or subject matter to a SpinCo Entity or a RemainCo Entity or any of their employees or other personnel.

"***Controlled***" shall have the meaning set forth in the Preamble.

"***Controlled Accounts***" shall have the meaning set forth in Section 2.11(a).

"***Controlled Assets***" shall have the meaning set forth in Section 2.1(a).

"***Controlled Common Stock***" shall have the meaning set forth in the Recitals.

"***Controlled Contracts***" means:

(a) any Contract with respect to which the only Persons party thereto or with rights, benefits or obligations thereunder or whose Assets are bound thereby are members of the RemainCo Group and parties that are not Affiliates of the SpinCo Group;

(b) any employment, change of control, retention, consulting, indemnification, termination, severance or other similar agreements with any RemainCo Employee;

(c) the Contracts listed on Schedule 1.1C under the heading "Controlled Contracts";

(d) any Contract that is otherwise expressly contemplated pursuant to this Agreement or any of the Ancillary Agreements to be assigned to Controlled or any member of the RemainCo Group in connection with the First Contribution; and

(e) any Contract to which RemainCo or any of its Subsidiaries is a party prior to or as of the Effective Time, other than a Shared Contract, that primarily relates to the RemainCo Business.

"***Controlled GP***" shall have the meaning set forth in the Preamble.

"***Controlled Intellectual Property***" means the Intellectual Property set forth on Schedule 1.1A.

"***Controlled Liabilities***" shall have the meaning set forth in Section 2.2(a).

"***Controlled LP***" shall have the meaning set forth in the Preamble.

"***Controlled Properties***" means the real property set forth on Schedule 1.1D under the heading "Controlled Properties."

"***Controlled Software***" means the Software set forth on Schedule 1.1E.

"***Controlled Transfer Documents***" shall have the meaning set forth in Section 2.4(b).

"***Corporate Action***" means any Action, whether filed before, on or after the Effective Time, to the extent it asserts violations of any federal, state, local, foreign or international securities Law, securities class action or shareholder derivative claim alleged to have occurred before or on the Effective Time.

"***Covered Matter***" shall have the meaning set forth in Section 7.16(i).

"***Custodial Party***" means the party that maintains the Records Facility where Stored Records are held.

"***D&O Policy***" means the policies set forth on Schedule 1.1B under the heading "D&O Policies."

"***Director***" shall mean, with respect to any SpinCo Entity or RemainCo Entity, a member of the board of directors or managers, as applicable, of such entity.

"***Dispute***" shall have the meaning set forth in Section 6.1(a).

"***Dispute Committee***" shall have the meaning set forth in Section 6.1(a).

"***Distribution Date***" means the date on which RemainCo, through the Agent, distributes all of the issued and outstanding shares of SpinCo Common Stock to holders of RemainCo Common Stock in the External Distribution.

"***EESLP***" shall have the meaning set forth in the Preamble.

"***EESLP LP***" shall have the meaning set forth in the Preamble.

"***EESLP Mirror Notes***" shall have the meaning set forth in Exhibit A.

"***EELSP Services Agreement***" means the Services Agreement, dated as of the date hereof, between EESLP, as service recipient, and OpCo, as service provider, in substantially the form attached as Exhibit C hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***EESLP Storage Agreement***" means the Storage Agreement, dated as of the date hereof, between EESLP, as storage provider, and OpCo and Archrock Field Services LLC, as owners, in substantially the form attached as Exhibit L hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***Effective Time***" means 3:01 p.m. Central Time, or such other time as RemainCo may determine, on the Distribution Date.

"***Employee Matters Agreement***" means the Employee Matters Agreement, dated as of the date hereof, between OpCo and EESLP, in substantially the form attached as Exhibit B hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***Environmental Law***" means any Law relating to pollution, protection or restoration of or prevention of harm to the environment or natural resources, including the use, handling, transportation, treatment, storage, disposal, Release or discharge of Hazardous Materials or the protection of or prevention of harm to human health and safety.

"***Environmental Liabilities***" means all Liabilities relating to, arising out of or resulting from any Hazardous Materials, Environmental Law or contract or agreement relating to environmental, health or safety matters (including all removal, remediation or cleanup costs, investigatory costs, response costs, natural resources damages, property damages, personal injury damages, costs of compliance, including with any product take-back requirements, or with any settlement, judgment or other determination of Liability and indemnity, contribution or similar obligations) and all costs and expenses, interest, fines, penalties or other monetary sanctions in connection therewith.

"***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder, as the same shall be in effect at the time reference is made thereto.

"***EXLP***" means Exterran Partners, L.P., a Delaware limited partnership.

"***External Distribution***" shall have the meaning set forth in the Recitals.

"***Exterran Name and Marks***" means the names, marks, trade dress, logos, monograms, domain names and other source or business identifiers of RemainCo or any of its Affiliates using or containing "Exterran," "Exterran" either alone or in combination with other words or elements, and all names, marks, trade dress, logos, monograms, domain names and other source or business identifiers confusingly similar to or embodying any of the foregoing either alone or in combination with other words or elements, together with the goodwill associated with any of the foregoing.

"***Exterran Venezuela***" means Exterran Venezuela, S.R.L., a company organized under the laws of Venezuela, and an indirect wholly owned subsidiary of EESLP following Effective Time.

"***EXV Contract***" means the Asset Transfer Contract dated August 7, 2012 between Exterran Venezuela and PDVSA.

"***First Contribution***" shall have the meaning set forth in the Recitals.

"***Force Majeure***" means, with respect to a Party, an event beyond the control of such Party (or any Person acting on its behalf), which by its nature could not have been reasonably foreseen by such Party (or such Person) or, if it could have been reasonably foreseen, was unavoidable, and includes acts of God, storms, floods, riots, labor unrest, pandemics, nuclear incidents, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities, or other national or international calamity or one or more acts of terrorism or failure of energy sources or distribution or transportation facilities.

"***Form 10***" means the registration statement on Form 10 (File No. 001-36875) filed by SpinCo with the SEC in connection with the External Distribution, including any amendments or supplements thereto.

"***General Holdings***" shall have the meaning set forth in the Preamble.

"***General Holdings Interest***" shall have the meaning set forth in the Recitals.

"***Governmental Approvals***" means any notices or reports to be submitted to, or other filings to be made with, or any consents, registrations, approvals, permits or authorizations to be obtained from, any Governmental Authority.

"***Governmental Authority***" means any nation or government, any state, province, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, provincial, regional, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any official thereof.

"***Gross Margin***" shall have the meaning set forth in Section 9.3(a).

"***Group***" means either the SpinCo Group or the RemainCo Group, as the context requires.

"***Hazardous Materials***" means any chemical, material, substance, waste, pollutant, emission, discharge, release or contaminant that could result in liability under, or that is prohibited, limited or regulated by or pursuant to, any Environmental Law, and any natural or artificial substance (whether solid, liquid or gas, noise, ion, vapor or electromagnetic) that could cause harm to human health or the environment, including petroleum, petroleum products and byproducts, asbestos and asbestos-containing materials, urea formaldehyde foam insulation,

electronic, medical or infectious wastes, polychlorinated biphenyls, radon gas, radioactive substances, chlorofluorocarbons and all other ozone-depleting substances.

"***Indebtedness***" of any specified Person means (a) all obligations of such specified Person for borrowed money or arising out of any extension of credit to or for the account of such specified Person (including reimbursement or payment obligations with respect to surety bonds, letters of credit, bankers' acceptances and similar instruments), (b) all obligations of such specified Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such specified Person upon which interest charges are customarily paid, (d) all obligations of such specified Person under conditional sale or other title retention agreements relating to Assets purchased by such specified Person, (e) all obligations of such specified Person issued or assumed as the deferred purchase price of property or services, (f) all liabilities secured by (or for which any Person to which any such liability is owed has an existing right, contingent or otherwise, to be secured by) any mortgage, lien, pledge or other encumbrance on property owned or acquired by such specified Person (or upon any revenues, income or profits of such specified Person therefrom), whether or not the obligations secured thereby have been assumed by the specified Person or otherwise become liabilities of the specified Person, (g) all capital lease obligations of such specified Person, (h) all securities or other similar instruments convertible or exchangeable into any of the foregoing, but excluding daily cash overdrafts associated with routine cash operations, and (i) any liability of others of a type described in any of the preceding clauses (a) through (g) in respect of which the specified Person has incurred, assumed or acquired a liability by means of a guaranty, excluding any obligations related to Taxes.

"***Indemnifying Party***" shall have the meaning set forth in Section 7.4(a).

"***Indemnitee***" shall have the meaning set forth in Section 7.4(a).

"***Indemnity Payment***" shall have the meaning set forth in Section 7.4(a).

"***Information***" means information, whether or not patentable or copyrightable, in written, oral, electronic or other tangible or intangible forms, stored in any medium, including studies, reports, records, books, contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, memos and other technical, financial, employee or business information or data.

"***Information Statement***" means the Information Statement attached as an exhibit to the Form 10 and sent to the holders of RemainCo Common Stock in connection with the External Distribution, including any amendment or supplement thereto.

"***Initial Notice***" shall have the meaning set forth in Section 6.2.

"***Initial SpinCo Intellectual Property***" all Intellectual Property that, as of the Effective Time, is owned or licensed by any member of either Group, other than the Controlled Intellectual Property or the SpinCo Intellectual Property.

"***Insurance Policies***" means the insurance policies (including any agreements related to such policies) set forth in Schedule 1.1B; *provided*, *however*, that for purposes of this Agreement any D&O Policies shall not constitute Insurance Policies.

"***Insurance Proceeds***" means those monies:

(a) received by an insured from an insurance carrier; or

(b) paid by an insurance carrier on behalf of the insured;

in either such case net of any costs or expenses incurred in the collection thereof; provided, however, that with respect to a captive insurance arrangement, Insurance Proceeds shall only include net amounts received by the captive insurer from a Third Party in respect of any captive reinsurance

arrangement.

"***Insured Claims***" shall mean those Liabilities that, individually or in the aggregate, are covered within the terms and conditions of any of the Shared Policies, whether or not subject to deductibles, co-insurance, uncollectability or retrospectively-rated premium adjustments.

"***Intellectual Property***" means all of the following whether arising under the Laws of the United States or of any other foreign or multinational jurisdiction: (a) patents, patent applications (including patents issued thereon) and statutory invention registrations, including reissues, divisions, continuations, continuations in part, substitutions, renewals, extensions and reexaminations of any of the foregoing, and all rights in any of the foregoing provided by international treaties or conventions, (b) trademarks, service marks, trade names, service names, trade dress, logos and other source or business identifiers, including all goodwill associated with any of the foregoing and any and all common law rights in and to any of the foregoing, registrations and applications for registration of any of the foregoing, all rights in and to any of the foregoing provided by international treaties or conventions, and all reissues, extensions and renewals of any of the foregoing, (c) Internet domain names, (d) copyrightable works, copyrights, moral rights, mask work rights, database rights and design rights, whether or not registered, and all registrations and applications for registration of any of the foregoing, and all rights in and to any of the foregoing provided by international treaties or conventions, (e) confidential and proprietary information, including trade secrets, invention disclosures, processes and know-how and (f) intellectual property rights arising from or in respect of any technology.

"***Internal Distribution***" shall have the meaning set forth in the Recitals.

"***Joint Claims***" means any claims under any Insurance Policy or D&O Policy that (a) the insurance carrier claims or could reasonably be expected to claim relate to a single incident or occurrence and (b) results or could reasonably be expected to result in the payment of Insurance Proceeds to or for the benefit of both one or more members of the RemainCo Group and one or more members of the SpinCo Group.

"***Joint Intellectual Property Agreement***" means the Joint Intellectual Property Agreement, dated as of the date hereof, among SpinCo, Controlled and EESLP, in substantially the form attached as Exhibit J hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***JV Contract***" means the Asset Transfer Contract, dated March 21, 2012, among WilPro Energy Services (El Furrial) Limited, WilPro Energy Services (Pigap II) Limited and PDVSA.

"***Law***" means any national, supranational, federal, state, provincial, regional, local or similar law (including common law), statute, code, order, ordinance, rule, regulation, treaty (including any income tax treaty), license, permit, authorization, approval, consent, decree, injunction, binding judicial or administrative interpretation or other legally enforceable requirement, in each case, enacted, promulgated, issued or entered by a Governmental Authority.

"***Liabilities***" means any and all Indebtedness, guarantees, assurances, commitments, liabilities, responsibilities, Losses, remediation, deficiencies, reimbursement obligations in respect of letters of credit, damages, fines, penalties, settlements, sanctions, costs, expenses, interest and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, accrued or not accrued, asserted or unasserted, liquidated or unliquidated, foreseen or unforeseen, known or unknown, reserved or unreserved, reflected on a balance sheet or otherwise, or determined or determinable, including those arising under any Law, claim (including any Third-Party Claim), demand, Action, or order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority or arbitration tribunal, and those arising under any Contract, agreement, obligation, indenture, instrument, lease, promise, arrangement, release, warranty, commitment or undertaking, or any fines, damages or equitable relief that is imposed, in each case, including all costs and expenses relating thereto.

"***Losses***" means any and all damages, losses, deficiencies, Liabilities, obligations, penalties, judgments, settlements, claims, payments, interest costs, fines and expenses (including the costs and expenses of any and all Actions and demands, assessments, judgments, settlements and compromises relating thereto and attorneys', accountants', consultants' and other professionals' fees and expenses incurred in the investigation or defense thereof or the enforcement of rights hereunder), whether or not involving a Third-Party Claim, other than Taxes.

"***Mirror Notes Receivable***" shall have the meaning set forth in Exhibit A.

"***Misdirected Payment***" shall have the meaning set forth in Section 2.11(f).

"***Non-Compete Period***" shall have the meaning set forth in Section 9.3(a).

"***Non-Custodial Party***" means the party that owns Stored Records held in the other party's Records Facility.

"***NYSE***" means the New York Stock Exchange.

"***Omnibus Agreement***" means the Fourth Amended and Restated Omnibus Agreement, dated as of the date hereof, among RemainCo, OpCo, Exterran GP LLC, Exterran General Partner, L.P., EXLP and Exterran Operating LLC, in substantially the form approved by the RemainCo Board, as such agreement may be modified or amended from time to time in accordance with its terms.

"***OpCo***" shall have the meaning set forth in the Preamble.

"***OpCo Credit Facility***" means the revolving credit facility to be established pursuant to a credit agreement entered into prior to the Effective Time by OpCo, as borrower, Wells Fargo Bank, National Association, as administrative agent, and the lenders named therein, on such terms and conditions as agreed to by the parties to such credit agreement.

"***OpCo Services Agreement***" means the Services Agreement, dated as of the date hereof, between OpCo, as service provider, and EESLP, as service recipient, in substantially the form attached as Exhibit D hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***OpCo Storage Agreement***" means the Reciprocal Storage Agreement, dated as of the date hereof, between OpCo, as storage provider, and EESLP, as owner, in substantially the form attached as Exhibit K hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***Other Party's Auditor***" shall have the meaning set forth in Section 8.7(a)(ii).

"***Outstanding Mirror Note Balance***" means $[·]. (1)

"***Parties***" or "***Party***" shall have the meaning set forth in the Preamble.

"***Payment Default***" shall have the meaning set forth in Section 9.8(b).

"***PDVSA***" means PDVSA Gas, S.A.

"***Permit***" means all permits, licenses, franchises, authorizations, concessions, certificates, consents, exemptions, approvals, variances, registrations, or similar authorizations from any Governmental Authority.

"***Person***" means any individual, general or limited partnership, corporation, business trust, joint venture, association, company, limited liability company, unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

"***Policies***" shall mean insurance policies and insurance Contracts of any kind (other than life and benefits policies or Contracts), including primary, excess and umbrella policies, general liability policies, punitive damages liability, control of well, railroad protective liability, cyber liability, director and officer liability, fiduciary liability, automobile, aircraft, property, terrorism, business interruption, workers' compensation and employee dishonesty insurance policies, surety

(1) Note to Draft: Refers to the outstanding balance of the EESLP Mirror Notes as of the Effective Time, which will equal approximately $175 million, *less* the aggregate amount of any quarterly installment payments received by RemainCo or any of its Subsidiaries pursuant to the terms of the EXV Contract or the JV Contract after August 1, 2015 and prior to the Effective Time

bonds and captive insurance company arrangements, together with the rights, benefits and privileges thereunder.

"***Predecessor Names and Marks***" means the names, marks, trade dress, logos, monograms, domain names and other source or business identifiers of RemainCo, SpinCo or any of their respective Affiliates using or containing "Hanover" or "Universal," "Hanover" or "Universal" alone or in combination with other words or elements and all names, marks, trade dress, logos, monograms, domain names and other source or business identifiers confusingly similar to or embodying any of the foregoing either alone or in combination with other words or elements, together with the goodwill associated with any of the foregoing.

"***Prime Rate***" means the rate announced from time to time by Wells Fargo Bank, National Association (or any successor thereto or other major money center commercial bank agreed to by the parties hereto) at its New York, New York office as its prime rate or base rate for U.S. Dollar loans in the United States of America in effect on the date of determination.

"***Privileged Information***" means any information, in written, oral, electronic or other tangible or intangible forms, including any communications by or to attorneys (including attorney-client privileged communications), memoranda and other materials prepared by attorneys or under their direction (including attorney work product), as to which a party or its respective Subsidiaries would be entitled to assert or have a privilege, including the attorney-client and attorney work product privileges.

"***Prohibited Business***" shall have the meaning set forth in Section 9.3(a).

"***Qualified Capital Raise***" shall have the meaning given to such term in the credit agreement governing the SpinCo Credit Facility.

"***Receivable Payment***" shall have the meaning set forth in Section 9.8(a).

"***Record Date***" means 5:00 p.m. Central Time on the date to be determined by the RemainCo Board as the record date for determining stockholders of RemainCo entitled to receive shares of SpinCo Common Stock in the External Distribution.

"***Record Holders***" means the holders of record of RemainCo Common Stock as of the Record Date.

"***Records Facility***" shall have the meaning set forth in Section 8.4(a).

"***Release***" means any release, spill, emission, discharge, leaking, pumping, pouring, dumping, injection, deposit, disposal, dispersal, leaching or migration of Hazardous Materials into the environment (including ambient air, surface water, groundwater and surface or subsurface strata).

"***RemainCo***" shall have the meaning set forth in the Preamble.

"***RemainCo Board***" shall have the meaning set forth in the Recitals.

"***RemainCo Business***" means all businesses and operations (whether or not such businesses or operations are or have been terminated, divested or discontinued) conducted by RemainCo and its Subsidiaries and Affiliates prior to the Effective Time that are not included in the SpinCo Business.

"***RemainCo Common Stock***" means the common stock, par value $0.01 per share, of RemainCo.

"***RemainCo Employee***" shall mean each Employee, Contractor or Director who provides services primarily for the benefit of the RemainCo Business and who, following the Effective Time, remains employed by or in service with any RemainCo Entity, including any such active employees and any such employees on approved leaves of absence. RemainCo Employees shall include, without limitation, those Employees, Contractors and Directors set forth on Schedule 1.1L attached hereto.

"***RemainCo Group***" means RemainCo, each Subsidiary of RemainCo immediately after the Effective Time and each Affiliate of RemainCo immediately after the Effective Time, including Controlled and its Subsidiaries (in each case other than any member of the SpinCo Group).

"***RemainCo Indemnitees***" shall have the meaning set forth in Section 7.2.

"***Representatives***" means, with respect to any Person, any of such Person's directors, officers, employees, agents, consultants, advisors, accountants, attorneys or other representatives.

"***Restructuring Steps Memorandum***" means the memorandum setting forth the restructuring steps to be taken prior to the Effective Time and the sequence thereof, a copy of which is attached hereto as Exhibit A.

"***SEC***" means the U.S. Securities and Exchange Commission.

"***Second Contribution***" shall have the meaning set forth in the Recitals.

"***Securities Act***" means the U.S. Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder, as the same shall be in effect at the time reference is made thereto.

"***Security Interest***" means any mortgage, security interest, pledge, lien, charge, claim, option, right to acquire, voting or other restriction, right-of-way, covenant, condition, easement, encroachment, restriction on transfer, or other encumbrance of any nature whatsoever.

"***Shared Contract***" shall have the meaning set forth in Section 2.10(a).

"***Shared Liabilities***" means (i) the Liabilities identified on Schedule 1.1H, or (ii) any Liability that is described as both a Controlled Liability in Section 2.2(a)(i) and a SpinCo Liability in Section 2.2(b)(i).

"***Shared Policies***" means all Policies, current or past, which are owned or maintained by or on behalf of RemainCo or any of its Subsidiaries which relate to the SpinCo Business and the RemainCo Business.

"***Software***" means any and all (a) computer programs, including any and all software implementation of algorithms, models and methodologies, whether in source code, object code, human readable form or other form, (b) databases and compilations, including any and all data and collections of data, whether machine-readable or otherwise, (c) descriptions, flow charts and other work products used to design, plan, organize and develop any of the foregoing, (d) screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons and (e) documentation, including user manuals and other training documentation, relating to any of the foregoing.

"***Specified Party***" shall have the meaning set forth in Section 2.11(f).

"***SpinCo***" shall have the meaning set forth in the Preamble.

"***SpinCo Accounts***" shall have the meaning set forth in Section 2.11(a).

"***SpinCo Assets***" shall have the meaning set forth in Section 2.1(b).

"***SpinCo Balance Sheet***" unaudited pro forma condensed combined balance sheet of the SpinCo Group as of March 31, 2015, including the notes thereto, included in the Information Statement.

"***SpinCo Business***" means (a) the contract operations and aftermarket services businesses conducted for the benefit of customers outside of the United States by, and the global fabrication business of, RemainCo and its direct and indirect Subsidiaries on a consolidated basis immediately prior to the date hereof, and (b) without limiting the foregoing clause (a) and except as otherwise expressly provided in this Agreement, (i) the global provision of aftermarket services with respect to production equipment by RemainCo and its direct and indirect Subsidiaries on a consolidated basis immediately prior to the date hereof and (ii) any terminated, divested or discontinued businesses, Assets or operations that were of such a nature that they would be part of the SpinCo Business (as described in the foregoing clause (a)) had they not been terminated, divested or discontinued (regardless of whether they ever operated under the "SpinCo" name); *provided*, *however*, that the SpinCo Business shall exclude the businesses set forth on Schedule 1.1G.

"***SpinCo Certificate of Incorporation***" shall have the meaning set forth in Section 5.1(f).

"***SpinCo Common Stock***" shall have the meaning set forth in the Recitals.

"***SpinCo Contracts***" means:

(a) any Contract with respect to which the only Persons party thereto or with rights, benefits or obligations thereunder or whose Assets are bound thereby are members of the SpinCo Group and third parties that are not Affiliates of the RemainCo Group;

(b) any employment, change of control, retention, consulting, indemnification, termination, severance or other similar agreements with any SpinCo Employee or consultants of the SpinCo Group;

(c) the Contracts listed on Schedule 1.1C under the heading "SpinCo Contracts";

(d) any Contract that is neither a Controlled Contract nor a Shared Contract; and

(e) unless otherwise identified pursuant to clauses (a)-(d), any Contract to which RemainCo or any of its Subsidiaries is a party prior to or as of the Effective Time, other than a Shared Contract, that primarily relates to the SpinCo Business.

"***SpinCo Contributed Interests***" shall have the meaning set forth in the Recitals.

"***SpinCo Credit Facility***" means the $680 million revolving credit facility and $245 million term loan to be established pursuant to an amended and restated credit agreement entered into on [·], 2015 by EESLP, as borrower, SpinCo, Wells Fargo Bank, National Association, as administrative agent, and the lenders named therein, on such terms and conditions as agreed to by SpinCo and the other parties to such credit agreement.

"***SpinCo Employee***" means each Employee, Contractor or Director who provides services primarily for the benefit of the SpinCo Business and who, following the Effective Time, remains employed by or in service with any SpinCo Entity, including any such active employees and any such employees on approved leaves of absence. SpinCo Employees shall include, without limitation, those Employees, Contractors and Directors set forth on Schedule 1.1K attached hereto.

"***SpinCo Entity***" shall have the meaning set forth in Section 2.1(b)(ii)(B).

"***SpinCo Group***" means SpinCo and the SpinCo Entities.

"***SpinCo Indemnitees***" shall have the meaning set forth in Section 5.3.

"***SpinCo Intellectual Property***" means (a) the Exterran Name and Marks and (b) the Intellectual Property set forth in Schedule 1.1I.

"***SpinCo Liabilities***" shall have the meaning set forth in Section 2.2(b).

"***SpinCo Policies***" shall mean all Policies, current or past, which are owned or maintained by or on behalf of RemainCo or any Subsidiary of RemainCo, which relate exclusively to the SpinCo Business and which Policies are either maintained by SpinCo or a member of the SpinCo Group or assignable to SpinCo or a member of the SpinCo Group.

"***SpinCo Properties***" means the real property set forth on Schedule 1.1D under the heading "SpinCo Properties."

"***SpinCo Software***" means all Software that, as of the Effective Time, is owned or licensed by any member of either Group, other than the Controlled Software.

"***SpinCo Specified Assets***" means the assets set forth on Schedule 1.1J.

"***SpinCo Specified Liabilities***" means the liabilities set forth on Schedule 1.1F.

"***SpinCo Transfer Documents***" shall have the meaning set forth in Section 2.5(b).

"***Stored Records***" means Tangible Information held in a Records Facility maintained or arranged for by the party other than the party that owns such Tangible Information.

"***Subsidiary***" means, with respect to any Person, any corporation, limited liability company, joint venture or partnership of which such Person (a) beneficially owns or controls, either directly or indirectly, more than fifty percent (50%) of (i) the total combined voting power of all classes of voting securities of such Person, (ii) the total combined equity interests or (iii) the capital or profit interests, in the case of a partnership, or (b) otherwise has the power to vote, either directly or indirectly, sufficient securities to elect a majority of the board of directors or similar governing body.

"***Supply Agreement***" means the Supply Agreement, dated as of the date hereof, among OpCo, EXLP Operating, LLC and EESLP, in substantially the form attached as Exhibit F hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***Tangible Information***" means Information that is contained in written, electronic or other tangible forms.

"***Tax Matters Agreement***" means the Tax Matters Agreement, dated as of the date hereof, between RemainCo and SpinCo, in substantially the form attached as Exhibit G hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***Tax Return***" shall have the meaning set forth in the Tax Matters Agreement.

"***Tax***" shall have the meaning set forth in the Tax Matters Agreement.

"***Term Loan Maturity Date***" shall have the meaning given to such term in the credit agreement governing the SpinCo Credit Facility.

"***Third Party***" shall have the meaning set forth in Section 7.5(a).

"***Third-Party Claim***" shall have the meaning set forth in Section 7.5(a).

"***Transaction Counterparty***" shall have the meaning set forth in Section 9.3(a).

"***Transfer Documents***" shall have the meaning set forth in Section 2.5(b).

"***Transferred Controlled Entity***" shall have the meaning set forth in Section 2.1(a)(ii)(B).

"***Transition Services Agreement***" means the Transition Services Agreement, dated as of the date hereof, between OpCo and EESLP, in substantially the form attached as Exhibit H hereto, as such agreement may be modified or amended from time to time in accordance with its terms.

"***Unreleased Controlled Liability***" shall have the meaning set forth in Section 2.7(b).

"***Unreleased SpinCo Liability***" shall have the meaning set forth in Section 2.8(b).

"***Unreleased SpinCo Specified Liability***" shall have the meaning set forth in Section 4.5(b).

ARTICLE II.
FIRST CONTRIBUTION

2.1 **Assets.**

(a) For purposes of this Agreement, "***Controlled Assets***" means (without duplication):

(i) all Assets that are expressly provided by this Agreement or any Ancillary Agreement as Assets to be transferred to or to belong to Controlled or any other member of the RemainCo Group, including the Assets listed on Schedule 2.1(a)(i) and any Schedule to any Ancillary Agreement;

(ii) unless described in Section 2.1(b)(i), all Assets primarily relating to or arising out of the RemainCo Business as conducted at or immediately prior to the Effective Time, including, without limitation, the following:

(A) all Assets owned and used or held for use immediately prior to the Effective Time by RemainCo or any of its Subsidiaries primarily in the RemainCo Business, including the Controlled Contracts, Controlled Intellectual Property, Controlled Software and Controlled Properties and any Assets thereupon or upon any SpinCo Property subleased to a member of the RemainCo Group as of the Effective Time; and

(B) all issued and outstanding equity interests held by EESLP, directly or indirectly, in the Subsidiaries of EESLP that have been or shall be contributed to, or otherwise transferred, conveyed, or assigned to, Controlled (which interests may be subsequently transferred, at the direction of Controlled, to direct or indirect wholly owned Subsidiaries of Controlled that shall be members of the RemainCo Group as of the Effective Time and are listed on Schedule 2.1(a)(ii)(B) (such Subsidiaries, the "***Transferred Controlled Entities***"));

(iii) all RemainCo Employees (notwithstanding that, to facilitate the transfer of RemainCo Employees to Controlled, the RemainCo Employees shall be treated as employees of EESLP until the day immediately following the Distribution Date for payroll and other administrative purposes);

(iv) the right to receive the Contingent Financing Payment and the Additional Contribution; and

(v) any Privileged Information that relates to the RemainCo Business.

(b) For purposes of this Agreement, "***SpinCo Assets***" means (without duplication):

(i) all Assets that are expressly provided by this Agreement or any Ancillary Agreement as Assets to be transferred to or to belong to SpinCo or any other member of the SpinCo Group, including the Assets listed on Schedule 2.1(b)(i) and any Schedule to any Ancillary Agreement;

(ii) unless described in Section 2.1(a)(i), all Assets primarily relating to or arising out of the SpinCo Business as conducted at or immediately prior to the Effective Time, including, without limitation, the following:

(A) all Assets owned and used or held for use immediately prior to the Internal Distribution by RemainCo or any of its Subsidiaries primarily in the SpinCo Business, including the SpinCo Contracts, Initial SpinCo Intellectual Property, SpinCo Software and SpinCo Properties and any Assets thereupon or upon any Controlled Property subleased to a member of the SpinCo Group as of the Effective Time; and

(B) all issued and outstanding equity interests held by SpinCo in the Subsidiaries of SpinCo that have been or shall be contributed to, or otherwise transferred, conveyed, or assigned to, the SpinCo Group or entities that shall be members of the SpinCo Group as of the Effective Time, as listed on Schedule 2.1(b)(ii)(B) (such Subsidiaries and entities, the "***SpinCo Entities***");

(iii) unless described in Section 2.1(a)(i) or 2.1(a)(ii), all Assets reflected as assets of SpinCo or its Subsidiaries on the SpinCo Balance Sheet (or any subsequently acquired or created Assets that would have been reflected on a later-dated balance sheet of SpinCo), subject to any dispositions of such Assets subsequent to the date of the SpinCo Balance Sheet;

(iv) all SpinCo Employees; and

(v) any Privileged Information that relates to the SpinCo Business.

2.2 **Liabilities.**

(a) For the purposes of this Agreement, "***Controlled Liabilities***" means (without duplication):

(i) the Liabilities listed on Schedule 2.2(a)(i) and any and all other Liabilities that are expressly provided by this Agreement or any Ancillary Agreement or any Schedule to any Ancillary Agreement as Liabilities to be retained or assumed by Controlled or any member of the RemainCo Group, and all agreements, obligations and Liabilities of any member of the RemainCo Group under this Agreement or any of the Ancillary Agreements;

(ii) unless described in Section 2.2(b)(i) or 2.2(b)(v), all Liabilities, including any Environmental Liabilities, whether arising before, on or after the Effective Time, to the extent relating to, arising out of or resulting from:

(A) the ownership of the Controlled Properties (including any title defects with respect thereto notwithstanding any special warranty deed) or the operation of any business on the Controlled Properties (except where any Controlled Property is subleased to a member of the SpinCo Group), as conducted at any time prior to, on or after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any Person relating to the Controlled Properties (whether or not such act or failure to act is or was within such Person's authority));

(B) unless described in Section 2.2(b)(ii)(A), the operation of the RemainCo Business, as conducted at any time prior to, on or after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any Person (whether or not such act or failure to act is or was within such Person's authority) relating to the operation of the RemainCo Business or any Shared Contracts to the extent such Liabilities relate to the RemainCo Business); or

(C) any Controlled Asset;

(iii) all Liabilities relating to, arising out of or resulting from the OpCo Credit Facility; and

(iv) RemainCo's Allocable Portion of any Shared Liability.

(b) For the purposes of this Agreement, "***SpinCo Liabilities***" means (without duplication):

(i) the Liabilities listed on Schedule 2.2(b)(i) and any and all other Liabilities that are expressly provided by this Agreement or any Ancillary Agreement (except for any special warranty deed) or any Schedule to any Ancillary Agreement as Liabilities to be retained or assumed by SpinCo or any member of the SpinCo Group, and all agreements, obligations and Liabilities of any member of the SpinCo Group under this Agreement or any of the Ancillary Agreements;

(ii) unless described in Section 2.2(a)(i) or 2.2(a)(iii), all Liabilities that are both (x) currently held by EESLP or a member of the SpinCo Group, including any Environmental Liabilities, whether arising before, on or after the Effective Time and (y) to the extent relating to, arising out of or resulting from:

(A) the ownership of the SpinCo Properties or the operation of the any business on the SpinCo Properties (except where any SpinCo Property is subleased to a member of the RemainCo Group), as conducted at any time prior to, on or after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any Person relating to the SpinCo

Properties (whether or not such act or failure to act is or was within such Person's authority));

(B) unless described in Section 2.2(a)(ii)(A), the operation of the SpinCo Business, as conducted at any time prior to, on or after the Effective Time (including any Liability relating to, arising out of or resulting from any act or failure to act by any Person (whether or not such act or failure to act is or was within such Person's authority) or arising under any Shared Contracts to the extent such Liabilities relate to the SpinCo Business);

(C) the assumption or retention of the SpinCo Specified Liabilities (except as set forth in any Ancillary Agreement);

(D) any unpaid third-party costs and expenses incurred on, prior to or after the Distribution Date by, and for reimbursement of such costs and expenses to, any member of the RemainCo Group or SpinCo Group associated with the SpinCo Credit Facility;

(E) any unpaid third-party costs and expenses incurred prior to the Distribution Date by any member of the RemainCo Group or SpinCo Group associated with the proposed offering and resale of debt securities by EESLP to certain qualified institutional buyers;

(F) any unpaid third-party costs and expenses incurred on or after the Distribution Date by any member of the RemainCo Group or SpinCo Group associated with the redemption of RemainCo's 7.25% Senior Notes due 2018; or

(G) any SpinCo Asset, including, following the completion of the Second Contribution, any of the SpinCo Contributed Interests, the SpinCo Specified Assets and the SpinCo Intellectual Property;

(iii) all Liabilities relating to, arising out of or resulting from the SpinCo Credit Facility;

(iv) unless described in Section 2.2(a), all Liabilities reflected as liabilities or obligations of SpinCo or its Subsidiaries on the SpinCo Balance Sheet (or subsequently incurred or accrued Liabilities that would have been reflected on a later-dated balance sheet of SpinCo), subject to any discharge of such Liabilities subsequent to the date of the SpinCo Balance Sheet; and

(v) SpinCo's Allocable Portion of any Shared Liability.

2.3 **Allocation of Assets and Liabilities.**

(a) Any Asset that is described as both a Controlled Asset in Section 2.1(a)(i) and a SpinCo Asset in Section 2.1(b)(i) shall be allocated:

(i) to the RemainCo Group, if such Asset primarily relates to or arises out of the RemainCo Business as conducted at or immediately prior to the Effective Time;

(ii) to the SpinCo Group, if such Asset primarily relates to or arises out of the SpinCo Business as conducted at or immediately prior to the Effective Time; or

(iii) equally between the RemainCo Group, on the one hand, and the SpinCo Group, on the other hand, if such Asset does not primarily relate to or arise out of either the RemainCo Business or the SpinCo Business, each as conducted at or immediately prior to the Effective Time.

(b) Any Asset that is not described as either a Controlled Asset in Section 2.1(a) or a SpinCo Asset in Section 2.1(b) shall be allocated equally between the RemainCo Group, on the one hand, and the SpinCo Group, on the other hand, unless the Parties determine otherwise by mutual agreement.

(c) Unless the Parties determine otherwise by mutual agreement, any Shared Liability shall be allocated equally between the RemainCo Group, on the one hand, and the SpinCo Group, on the other hand.

2.4 **Transfer of Controlled Assets and Assumption of Controlled Liabilities.**

(a) Unless otherwise provided in this Agreement or in any Ancillary Agreement, prior to the Effective Time in accordance with the Restructuring Steps Memorandum and to the extent not previously effected prior to the date hereof pursuant to the steps of the Restructuring Steps Memorandum (for the avoidance of doubt, the Restructuring Steps Memorandum shall take precedence in the event of any conflict between the terms of this Article II and the Restructuring Steps Memorandum, and any transfers of assets or liabilities made pursuant to this Agreement or any Ancillary Agreement after the Effective Time shall be deemed to have been made prior to the Effective Time consistent with the Restructuring Steps Memorandum):

(i) EESLP shall assign, transfer, convey and deliver to Controlled, and Controlled shall accept from EESLP, all of EESLP's direct or indirect right, title and interest in and to all of the Controlled Assets (it being understood that if any Controlled Asset shall be held by a Transferred Controlled Entity or a wholly owned Subsidiary of a Transferred Controlled Entity, such Controlled Asset will remain an asset of the applicable Transferred Controlled Entity or wholly owned Subsidiary of a Transferred Controlled Entity and will be deemed assigned, transferred, conveyed and delivered as a result of the transfer of all or substantially all of the equity interests in such Transferred Controlled Entity); and

(ii) Subject to Section 2.4(e), Controlled shall accept, assume and agree faithfully to perform, discharge and fulfill all Controlled Liabilities, including any outstanding obligations under the Mirror Notes Receivable, in accordance with their respective terms (it being understood that if any Controlled Liability shall be the obligation of a Transferred Controlled Entity or a wholly owned Subsidiary of a Transferred Controlled Entity, such Controlled Liability will remain a liability of the applicable Transferred Controlled Entity or wholly owned Subsidiary of a Transferred

Controlled Entity and will be deemed assigned, transferred, conveyed and delivered as a result of the transfer of all or substantially all of the equity interests in such Transferred Controlled Entity). Subject to Section 2.4(e), Controlled or the applicable Transferred Controlled Entity or wholly owned Subsidiary of a Transferred Controlled Entity shall be responsible for all Controlled Liabilities, regardless of when or where such Controlled Liabilities arose or arise, or whether the facts on which they are based occurred prior to or subsequent to the Effective Time, regardless of where or against whom such Controlled Liabilities are asserted or determined or whether asserted or determined prior to the date hereof, and regardless of whether arising from or alleged to arise from negligence, recklessness, violation of Law, fraud, misrepresentation, breach of contract or any other cause by any member of either Group, or any of their respective directors, officers, employees or agents.

(b) In furtherance of the assignment, transfer, conveyance and delivery of the Controlled Assets and the assumption or retention by Controlled (or, at the direction of Controlled, one of Controlled's direct or indirect wholly owned Subsidiaries) of the Controlled Liabilities in accordance with Sections 2.1(a)(i), 2.1(a)(ii)and 2.4(e), on, before or as of the date that such Controlled Assets are assigned, transferred, conveyed or delivered or such Controlled Liabilities are assumed, (i) EESLP shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such transfer, contribution, distribution or other similar agreements, bills of sale, special warranty deeds, stock powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment as and to the extent necessary to evidence the transfer, conveyance and assignment of all of EESLP's and its Subsidiaries' (other than Controlled and its Subsidiaries) right, title and interest in and to the Controlled Assets to Controlled (or, at the direction of Controlled, one of its Subsidiaries), and (ii) Controlled (or such Subsidiary) shall execute and deliver such assumptions of contracts and any other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of the Controlled Liabilities by Controlled (or such Subsidiary). All of the documents contemplated by this Section 2.4(b) are referred to collectively herein as the "***Controlled Transfer Documents***."

(c) Subject to Section 2.4(e), to the extent that any Controlled Asset is not transferred or assigned to, or any Controlled Liability is not assumed or retained by, Controlled (or at the direction of Controlled, one of Controlled's direct or indirect wholly owned Subsidiaries) prior to the Effective Time or is owned or held by a member of the SpinCo Group at or after the Effective Time, from and after the Effective Time, any such Controlled Asset or Controlled Liability shall be held by such member of the SpinCo Group for the use and benefit of Controlled (or its applicable Subsidiary), at the expense of the member of the RemainCo Group entitled thereto, in accordance with Section 2.5(c) and subject to Section 2.5(b):

(i) EESLP shall, and shall cause its applicable Subsidiaries to, as soon as reasonably practicable, assign, transfer, convey and deliver to Controlled or certain of its Subsidiaries designated by Controlled, and Controlled or such Subsidiaries shall accept from EESLP and its applicable Subsidiaries, all of EESLP's and such Subsidiaries' respective right, title and interest in and to such Controlled Assets; and

(ii) Controlled and certain of its Subsidiaries designated by Controlled shall, as soon as reasonably practicable, accept, assume and agree faithfully to perform,

discharge and fulfill all such Controlled Liabilities in accordance with their respective terms.

(d) Controlled hereby waives compliance by each and every member of the SpinCo Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the Controlled Assets to any member of the RemainCo Group.

(e) Notwithstanding any provision of this Section 2.4, all Liabilities, including any Controlled Liabilities, held directly by RemainCo shall be retained by RemainCo and shall not be assigned, transferred, conveyed or delivered to Controlled, its Subsidiaries or any other Person, except in connection with the Second Contribution as explicitly provided in Article IV and the Restructuring Steps Memorandum.

2.5 **Transfer of SpinCo Assets and Assumption of SpinCo Liabilities.**

(a) To the extent that any SpinCo Asset is transferred or assigned to, or any SpinCo Liability is assumed by, a member of the RemainCo Group prior to the Effective Time or, except as set forth in Article IV, is owned or held by a member of the RemainCo Group at or after the Effective Time, from and after the Effective Time, any such SpinCo Asset or SpinCo Liability shall be held by such member of the RemainCo Group for the use and benefit of the member of the SpinCo Group entitled thereto (at the expense of the member of the SpinCo Group entitled thereto) in accordance with Section 2.5(d), subject to Section 4.2(b) and:

(i) RemainCo shall, and shall cause its applicable Subsidiaries to, as soon as reasonably practicable, assign, transfer, convey and deliver to SpinCo or certain of its Subsidiaries designated by SpinCo, and SpinCo or such Subsidiaries shall accept from RemainCo and its applicable Subsidiaries, all of RemainCo's and such Subsidiaries' respective right, title and interest in and to such SpinCo Assets; and

(ii) SpinCo and certain of its Subsidiaries designated by EESLP shall, as soon as reasonably practicable, accept, assume and agree faithfully to perform, discharge and fulfill all such SpinCo Liabilities in accordance with their respective terms.

(b) In furtherance of the assignment, transfer, conveyance and delivery of SpinCo Assets and the assumption or retention by a member of the SpinCo Group of SpinCo Liabilities in accordance with Sections 2.5(a)(i) and 2.5(a)(ii), and without any additional consideration therefor: (i) RemainCo shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such transfer, contribution, distribution or other similar agreements bills of sale, special warranty deeds, stock powers, certificates of title, assignments of contracts and other instruments of transfer, conveyance and assignment as and to the extent necessary to evidence the transfer, conveyance and assignment of all of SpinCo's and its Subsidiaries' right, title and interest in and to the SpinCo Assets to SpinCo and its Subsidiaries and (ii) SpinCo shall execute and deliver, and shall cause its Subsidiaries to execute and deliver, such assumptions of contracts and any other instruments of assumption as and to the extent necessary to evidence the valid and effective assumption of the SpinCo Liabilities. All of the foregoing documents contemplated by this

Section 2.5(b) shall be referred to collectively herein as the "***SpinCo Transfer Documents***" and, together with the Controlled Transfer Documents, the "***Transfer Documents***."

(c) EESLP hereby waives compliance by each and every member of the RemainCo Group with the requirements and provisions of any "bulk-sale" or "bulk-transfer" Laws of any jurisdiction that may otherwise be applicable with respect to the transfer or sale of any or all of the SpinCo Assets to any member of the SpinCo Group.

2.6 **Approvals and Notifications.**

(a) To the extent that the Internal Distribution or any assignment, transfer, conveyance or delivery of any Controlled Asset, assumption or retention by a member of the RemainCo Group of any Controlled Liability, transfer or assignment of any SpinCo Asset or assumption of any SpinCo Liability in connection with the Internal Distribution requires any Approvals or Notifications, the parties shall endeavor to obtain or make such Approvals or Notifications as soon as reasonably practicable; *provided*, *however*, that, except to the extent expressly provided in this Agreement or any of the Ancillary Agreements or as otherwise agreed between EESLP and Controlled, neither EESLP nor Controlled shall be obligated to contribute capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation) to any Person in order to obtain or make such Approvals or Notifications.

(b) If and to the extent that the valid, complete and perfected transfer or assignment to the RemainCo Group of any RemainCo Assets or assumption by the RemainCo Group of any Controlled Liabilities would be a violation of applicable Law, would result in a breach, or constitute a default (or an event which, with the giving of notice or lapse of time, or both, would become a default) under any Contract or would otherwise adversely affect the rights of a member of the RemainCo Group or the SpinCo Group thereunder or require any Approvals or Notifications in connection with the Internal Distribution that have not been obtained or made by the Effective Time, then, unless the parties hereto shall otherwise mutually determine, the transfer or assignment to the RemainCo Group of such Controlled Assets, or the assumption by the RemainCo Group of such Controlled Liabilities, as the case may be, shall be automatically deemed deferred and any such purported transfer, assignment or assumption shall be null and void until such time as all legal impediments are removed or such Approvals or Notifications have been obtained or made. Notwithstanding the foregoing, any such Controlled Assets or Controlled Liabilities shall continue to constitute Controlled Assets or Controlled Liabilities, as applicable, for all other purposes of this Agreement.

(c) If any transfer or assignment of any Controlled Asset or any assumption of any Controlled Liability intended to be transferred, assigned or assumed in connection with the Internal Distribution hereunder, as the case may be, is not consummated prior to the Effective Time, whether as a result of the provisions of Section 2.6(b) or for any other reason, then, insofar as reasonably possible, the member of the SpinCo Group retaining such Controlled Asset or such Controlled Liability, as the case may be, shall thereafter hold such Controlled Asset or Controlled Liability, as the case may be, for the use and benefit of the member of the RemainCo Group entitled thereto (at the expense of the member of the RemainCo Group entitled thereto). In addition, the member of the SpinCo Group retaining such Controlled Asset or such Controlled

Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such Controlled Asset or Controlled Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the member of the RemainCo Group to whom such Controlled Asset is to be transferred or assigned, or which will assume such Controlled Liability, as the case may be, in order to place such member of the RemainCo Group in a substantially similar position as if such Controlled Asset or Controlled Liability had been transferred, assigned or assumed as contemplated hereby and so that all the benefits and burdens relating to such Controlled Asset or Controlled Liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over such Controlled Asset or Controlled Liability, as the case may be, and all costs and expenses related thereto, shall inure from and after the Effective Time to the RemainCo Group.

(d) If any transfer or assignment of any SpinCo Asset or any assumption of any SpinCo Liability not intended to be transferred, assigned or assumed in connection with the Internal Distribution hereunder, as the case may be, is consummated prior to the Effective Time, then, insofar as reasonably possible, the member of the RemainCo Group holding or owning such SpinCo Asset or such SpinCo Liability, as the case may be, shall thereafter hold such SpinCo Asset or SpinCo Liability, as the case may be, for the use and benefit of the member of the SpinCo Group entitled thereto (at the expense of the member of the SpinCo Group entitled thereto). In addition, the member of the RemainCo Group retaining such SpinCo Asset or such SpinCo Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such SpinCo Asset or SpinCo Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the member of the SpinCo Group to whom such SpinCo Asset is to be transferred or assigned, or which will assume such SpinCo Liability, as the case may be, in order to place such member of the SpinCo Group in a substantially similar position as if such SpinCo Asset or SpinCo Liability had not been so transferred, assigned or assumed and so that all the benefits and burdens relating to such SpinCo Asset or SpinCo Liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over such SpinCo Asset or SpinCo Liability, as the case may be, and all costs and expenses related thereto, shall inure from and after the Effective Time to the SpinCo Group.

(e) If and when the Approvals or Notifications, the absence of which caused the deferral of transfer or assignment of any Controlled Asset or the deferral of assumption of any Controlled Liability pursuant to Section 2.6(b), are obtained or made, and, if and when any other legal impediments for the transfer or assignment of any Controlled Asset or the assumption of any Controlled Liability have been removed, the transfer or assignment of the applicable Controlled Asset or the assumption of the applicable Controlled Liability in connection with the Internal Distribution, as the case may be, shall be effected in accordance with the terms of this Agreement and/or the applicable Ancillary Agreement.

(f) Except as otherwise agreed between EESLP and Controlled, (i) any member of the SpinCo Group retaining a Controlled Asset or Controlled Liability (whether as a result of the provisions of Section 2.6(b) or for any other reason), and (ii) any member of the RemainCo Group holding or owning a SpinCo Asset or SpinCo Liability due to a transfer or assignment to, or assumption by, such member of the RemainCo Group (as described in Section 2.5(a)), shall not be obligated, in order to effect the transfer of such Asset or Liability in connection with the

Internal Distribution to the Group member entitled thereto, to expend any money unless the necessary funds are advanced (or otherwise made available) by the Group member entitled thereto, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by the Group member entitled to such Asset or Liability.

2.7 **Novation of Controlled Liabilities.**

(a) In connection with the Internal Distribution, each of EESLP and Controlled, at the request of the other, shall endeavor, if reasonably practicable, to obtain, or to cause to be obtained, if reasonably practicable, any consent, substitution, approval or amendment required to novate or assign all obligations under Contracts and other obligations or Liabilities of any nature whatsoever that constitute Controlled Liabilities, or to obtain in writing the unconditional release of all parties to such arrangements other than any member of the RemainCo Group, so that, in any such case, the members of the RemainCo Group shall be solely responsible for the Controlled Liabilities; *provided*, *however*, that neither EESLP nor Controlled shall be obligated to contribute any capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation) to any third Person from whom any such consent, substitution, approval, amendment or release is requested.

(b) If EESLP or Controlled is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release, and the applicable member of the SpinCo Group continues to be bound by such Contract or other obligation or Liability (each, an "***Unreleased Controlled Liability***"), Controlled shall, to the extent not prohibited by Law, as indemnitor, guarantor, agent or subcontractor for such member of the SpinCo Group, as the case may be, (i) pay, perform and discharge fully all the obligations or other Liabilities of such member of the SpinCo Group that constitute Unreleased Controlled Liabilities from and after the Effective Time and (ii) use its commercially reasonable efforts to effect such payment, performance or discharge prior to any demand for such payment, performance, or discharge is permitted to be made by the obligee thereunder on any member of the SpinCo Group. If and when any such consent, substitution, approval, amendment or release shall be obtained or the Unreleased Controlled Liabilities shall otherwise become assignable or able to be novated, EESLP shall promptly assign, or cause to be assigned, and Controlled or the applicable RemainCo Group member shall assume, such Unreleased Controlled Liabilities without exchange of further consideration.

2.8 **Novation of SpinCo Liabilities.**

(a) In connection with the Internal Distribution, each of EESLP and Controlled, at the request of the other, shall endeavor, if reasonably practicable, to obtain, or to cause to be obtained, if reasonably practicable, any consent, substitution, approval or amendment required to novate or assign all obligations under Contracts and other obligations or Liabilities of any nature whatsoever that constitute SpinCo Liabilities, or to obtain in writing the unconditional release of all parties to such arrangements other than any member of the SpinCo Group, so that, in any such case, the members of the SpinCo Group shall be solely responsible for such SpinCo Liabilities; *provided*, *however*, that neither EESLP nor Controlled shall be obligated to contribute any capital or pay any consideration in any form (including providing any letter of credit, guaranty or

other financial accommodation) to any third Person from whom any such consent, substitution, approval, amendment or release is requested.

(b) If EESLP or Controlled is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release and the applicable member of the RemainCo Group continues to be bound by such Contract or other obligation or Liability (each, an "***Unreleased SpinCo Liability***"), EESLP shall, to the extent not prohibited by Law, as indemnitor, guarantor, agent or subcontractor for such member of the RemainCo Group, as the case may be, (i) pay, perform and discharge fully all the obligations or other Liabilities of such member of the RemainCo Group that constitute Unreleased SpinCo

Liabilities from and after the Effective Time and (ii) use its commercially reasonable efforts to effect such payment, performance, or discharge prior to any demand for such payment, performance, or discharge is permitted to be made by the obligee thereunder on any member of the RemainCo Group. If and when any such consent, substitution, approval, amendment or release shall be obtained or the Unreleased SpinCo Liabilities shall otherwise become assignable or able to be novated, Controlled shall promptly assign, or cause to be assigned, and EESLP or the applicable SpinCo Group member shall assume, such Unreleased SpinCo Liabilities without exchange of further consideration.

2.9 **Termination of Agreements.**

(a) Except as set forth in Section 2.9(b), in furtherance of the releases and other provisions set forth in Article V, Controlled and each member of the RemainCo Group, on the one hand, and EESLP and each member of the SpinCo Group, on the other hand, hereby terminate any and all agreements, arrangements, commitments or understandings, whether or not in writing, between or among Controlled and/or any member of the RemainCo Group and/or any entity that shall be a member of the RemainCo Group as of the Effective Time, on the one hand, and EESLP and/or any member of the SpinCo Group (other than entities that shall be members of the RemainCo Group as of the Effective Time), on the other hand, effective as of the Effective Time. No such terminated agreement, arrangement, commitment or understanding (including any provision thereof which purports to survive termination) shall be of any further force or effect after the Effective Time. Each party shall, at the reasonable request of any other party, take, or cause to be taken, such other actions as may be necessary to effect the foregoing.

(b) The provisions of Section 2.9(a) shall not apply to any of the following agreements, arrangements, commitments or understandings (or to any of the provisions thereof): (i) this Agreement and the Ancillary Agreements (and each other agreement or instrument expressly contemplated by this Agreement or any Ancillary Agreement to be entered into by any of the parties hereto or any of the members of their respective Groups, including, for the avoidance of doubt, those agreements and instruments entered into in connection with the SpinCo Credit Facility and the OpCo Credit Facility); (ii) any agreements, arrangements, commitments or understandings filed as an exhibit, whether in preliminary or final form, to the Form 10 or otherwise listed or described on Schedule 2.9(b)(ii); (iii) any agreements, arrangements, commitments or understandings to which any Person other than the parties hereto and the members of their respective Groups is a party (it being understood that to the extent that the rights and obligations of the parties and the members of their respective Groups under any such agreements, arrangements, commitments or understandings constitute Controlled Assets or

Controlled Liabilities, they shall be assigned pursuant to Section 2.4 and that to the extent that the rights and obligations of the parties and the members of their respective Groups under any such agreements, arrangements, commitments or understandings constitute SpinCo Assets or SpinCo Liabilities, they shall be assigned pursuant to Section 4.1 to the extent they are not already held by a member of the SpinCo Group); (iv) any intercompany accounts payable or accounts receivable described on Schedule 2.9(b)(iv); (v) any agreements, arrangements, commitments or understandings to which any member of the RemainCo Group or SpinCo Group (other than RemainCo, SpinCo, Controlled or EESLP, as the case may be) is a party (it being understood that directors' qualifying shares or similar interests shall be disregarded for purposes of determining whether a Subsidiary is wholly owned); (vi) any Shared Contracts; and (vii) any other agreements, arrangements, commitments or understandings that this Agreement or any Ancillary Agreement expressly contemplates shall survive the Effective Time.

2.10 **Treatment of Shared Contracts**.

(a) Without limiting the generality of the obligations set forth in Section 2.4 and Section 2.5, unless the parties otherwise agree or the benefits of any Contract or understanding described in this Section 2.10 are expressly conveyed to the applicable party pursuant to an Ancillary Agreement or any other agreement or instrument expressly contemplated by this Agreement or by any Ancillary Agreement, (i) any Contract, agreement, arrangement, commitment or understanding that is listed on Schedule 2.10(a) shall be assigned in part to the applicable member(s) of the applicable Group, if so assignable, or appropriately amended prior to, on or after the Effective Time, so that each party or the members of its respective Group shall, as of the Effective Time, be entitled to the rights and benefits, and shall assume the related portion of any Liabilities, inuring to its respective businesses, in each case, in accordance with the allocation of benefits and burdens set forth on Schedule 2.10(a), and (ii) (A) any Contract or understanding that primarily relates to the SpinCo Business but, prior to the Effective Time, inured in part to the benefit or burden of any member of the RemainCo Group, and (B) any Contract or understanding that primarily relates to the RemainCo Business but, prior to the Effective Time, inured in part to the benefit or burden of any member of the SpinCo Group, shall be assigned in part to the applicable member(s) of the applicable Group, if so assignable, or appropriately amended prior to, on or after the Effective Time, so that each party or the members of its respective Group shall, as of the Effective Time, be entitled to the rights and benefits, and shall assume the related portion of any Liabilities, inuring to its respective businesses (any Contract or understanding referred to in clause (i) or (ii) above, a "***Shared Contract***"); *provided*, *however*, that, in the case of each of clause (i) and (ii), (1) in no event shall any member of any Group be required to assign (or amend) any Shared Contract in its entirety or to assign a portion of any Shared Contract which is not assignable (or cannot be amended) by its terms (including any terms imposing consents or conditions on an assignment where such consents or conditions have not been obtained or fulfilled), and (2) if any Shared Contract cannot be so partially assigned by its terms or otherwise, or cannot be amended or if such assignment or amendment would impair the benefit the parties thereto derive from such Shared Contract, then the parties shall, and shall cause each of their respective Subsidiaries to, take such other reasonable and permissible actions (including by providing prompt notice to the other party with respect to any relevant claim of Liability or other relevant matters arising in connection with a Shared Contract so as to allow such other party the ability to exercise any applicable rights under such Shared Contract) to cause a member of the RemainCo Group or the SpinCo Group, as the case may be,

to receive the rights and benefits of that portion of each Shared Contract that relates to the SpinCo Business or the RemainCo Business, as the case may be (in each case, to the extent so related), as if such Shared Contract had been assigned to, appropriately duplicated, novated or amended to allow a member of the applicable Group pursuant to this Section 2.10, and to bear the burden of the corresponding Liabilities (including any Liabilities that may arise by reason of such arrangement), as if such Liabilities had been assumed by a member of the applicable Group pursuant to this Section 2.10.

(b) Each of SpinCo and RemainCo shall, and shall cause the members of its Group to, (i) treat for all Tax purposes the portion of each Shared Contract inuring to its respective businesses as Assets owned by, and/or Liabilities of, as applicable, such party, or its Subsidiaries, as applicable, not later than the Effective Time, and (ii) neither report nor take any Tax position (on a Tax Return or otherwise) inconsistent with such treatment (unless required by applicable Law).

(c) Nothing in this Section 2.10 shall require any member of any Group to make any material payment (except to the extent advanced, assumed or agreed in advance to be reimbursed by any member of the other Group), incur any material obligation or grant any material concession for the benefit of any member of any other Group in order to effect any transaction contemplated by this Section 2.10.

2.11 **Bank Accounts; Cash Balances**.

(a) EESLP and Controlled each agrees to take, or cause the respective members of their respective Groups to take, at the Effective Time (or such earlier time as EESLP and Controlled may agree), all actions necessary to amend all Contracts governing each bank and brokerage account, including lockbox accounts, owned by Controlled or any other member of the RemainCo Group (collectively, the "***Controlled Accounts***") so that such Controlled Accounts, if currently linked (whether by automatic withdrawal, automatic deposit or any other authorization to transfer funds from or to, hereinafter "linked") to any bank or brokerage account, including lockbox accounts, owned by EESLP or any other member of the SpinCo Group (collectively, the "***SpinCo Accounts***"), are de-linked from the SpinCo Accounts.

(b) EESLP and Controlled each agrees to take, or cause the respective members of their respective Groups to take, at the Effective Time (or such earlier time as EESLP and Controlled may agree), all actions necessary to amend all Contracts governing the SpinCo Accounts so that such SpinCo Accounts, if currently linked to a Controlled Account, are de-linked from the Controlled Accounts.

(c) It is intended that, following consummation of the actions contemplated by Sections 2.11(a) and 2.11(b), there shall be in place a centralized cash management process pursuant to which (i) the Controlled Accounts shall be managed centrally and funds collected shall be transferred into one or more centralized accounts maintained by Controlled and (ii) the SpinCo Accounts shall be managed centrally and funds collected shall be transferred into one or more centralized accounts maintained by EESLP. Notwithstanding the foregoing, all cash on hand as of the Effective Time shall be assigned, transferred or paid over to or retained by EESLP, other than cash belonging to EXLP or any of its Subsidiaries as of the Effective Time,

which cash shall be retained by EXLP or such Subsidiary (or, if included in the Controlled Accounts or SpinCo Accounts, paid over to EXLP) following the Effective Time.

(d) With respect to any outstanding checks issued or payments initiated by EESLP, Controlled or any of their respective Subsidiaries prior to the Internal Distribution, such outstanding checks and payments shall be honored following the Internal Distribution by the Person or Group owning the account on which the check is drawn or from which the payment was initiated. In addition, any outstanding checks or payments issued by a third party for the benefit of EESLP, Controlled or any of their respective Subsidiaries prior to the Internal Distribution shall be honored following the Internal Distribution and payment shall be made to the party to whom the check was or payment was issued.

(e) With respect to the payments described in Section 2.11(d), in the event that:

(i) EESLP or one of its Subsidiaries initiates a payment prior to the Internal Distribution that is honored following the Internal Distribution, and to the extent such payment relates to the RemainCo Business, then Controlled shall reimburse EESLP for such payment as soon as reasonably practicable and in no event later than seven (7) days after such payment is honored; or

(ii) Controlled or one of its Subsidiaries initiates a payment prior to the Internal Distribution that is honored following the Internal Distribution, and to the extent such payment relates to the SpinCo Business, then EESLP shall reimburse Controlled for such payment as soon as reasonably practicable and in no event later than seven (7) days after such payment is honored.

(f) As between EESLP and Controlled (for purposes of this Section 2.11(f), each a "***Specified Party***") (and the members of their respective Groups), all payments made to and reimbursements received by either Specified Party (or any member of its Group), in each case after the Internal Distribution, that relate to a business, Asset or Liability of the other Specified Party (or any member of such other Specified Party's Group) (each, a "***Misdirected Payment***"), shall be held by the recipient Specified Party in trust for the use and benefit of the other Specified Party (or member of such other Specified Party's Group entitled thereto) (at the expense of the party entitled thereto). Each Specified Party shall maintain an accounting of any such Misdirected Payments received by such Specified Party or any member of its Group, and the Specified Parties shall have a weekly reconciliation, whereby all such Misdirected Payments received by each Specified Party are calculated and the net amount owed to the other Specified Party (or members of the other Specified Party's Group) shall be paid over to the other Specified Party (for further distribution to the applicable members of such other Specified Party's Group). If at any time the net amount in respect of Misdirected Payments owed to either Specified Party exceeds $10,000,000, an interim payment of such net amount owed shall be made to the Specified Party entitled thereto within three (3) Business Days of such amount exceeding $10,000,000. Notwithstanding the foregoing, neither Specified Party (nor any of the members of its Group) shall act as collection agent for the other Specified Party (or any of the members of its Group), nor shall either Specified Party (or any members of its Group) act as surety or endorser with respect to non-sufficient funds checks, or funds to be returned in a bankruptcy or fraudulent conveyance action.

2.12 **Other Ancillary Agreements; Effect of Ancillary Agreements.**

Effective as of the date hereof, each of EESLP and Controlled shall execute and deliver all Ancillary Agreements to which it is a party (other than the Transfer Documents, which shall be executed on or prior to the Distribution Date).

2.13 **Disclaimer of Representations and Warranties**. SUBJECT TO SECTION 9.6, EACH OF REMAINCO (ON BEHALF OF ITSELF AND EACH MEMBER OF THE REMAINCO GROUP) AND SPINCO (ON BEHALF OF ITSELF AND EACH MEMBER OF THE SPINCO GROUP) UNDERSTANDS AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, NO PARTY TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR ANY OTHER AGREEMENT OR DOCUMENT CONTEMPLATED BY THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR OTHERWISE, IS REPRESENTING OR WARRANTING IN ANY WAY AS TO THE ASSETS, BUSINESSES OR LIABILITIES TRANSFERRED OR ASSUMED AS CONTEMPLATED HEREBY OR THEREBY (INCLUDING, WITHOUT LIMITATION, ANY ASSETS, BUSINESSES OR LIABILITIES TRANSFERRED OR ASSUMED UNDER THIS ARTICLE II OR ARTICLE IV), AS TO ANY CONSENTS OR APPROVALS REQUIRED IN CONNECTION THEREWITH, AS TO THE VALUE OR FREEDOM FROM ANY SECURITY INTERESTS OF, OR ANY OTHER MATTER CONCERNING, ANY ASSETS OF SUCH PARTY, AS TO, IN THE CASE OF INTELLECTUAL PROPERTY, NON-INFRINGEMENT OR ANY WARRANTY THAT ANY SUCH INTELLECTUAL PROPERTY IS "ERROR FREE," OR AS TO THE ABSENCE OF ANY DEFENSES OR RIGHT OF SET-OFF OR FREEDOM FROM COUNTERCLAIM WITH RESPECT TO ANY CLAIM OR OTHER ASSET, INCLUDING ANY ACCOUNTS RECEIVABLE, OF ANY PARTY, OR AS TO THE LEGAL SUFFICIENCY OF ANY ASSIGNMENT, DOCUMENT OR INSTRUMENT DELIVERED HEREUNDER TO CONVEY TITLE TO ANY ASSET OR THING OF VALUE UPON THE EXECUTION, DELIVERY AND FILING HEREOF OR THEREOF. EXCEPT AS MAY EXPRESSLY BE SET FORTH HEREIN OR IN ANY ANCILLARY AGREEMENT, ALL SUCH ASSETS ARE BEING TRANSFERRED ON AN "AS IS," "WHERE IS" BASIS (AND, IN THE CASE OF ANY REAL PROPERTY, EXCEPT AS OTHERWISE AGREED BY

REMAINCO, BY MEANS OF A SPECIAL WARRANTY DEED OR CONVEYANCE) AND THE RESPECTIVE TRANSFEREES SHALL BEAR THE ECONOMIC AND LEGAL RISKS THAT (I) ANY CONVEYANCE WILL PROVE TO BE INSUFFICIENT TO VEST IN THE TRANSFEREE GOOD AND MARKETABLE TITLE, FREE AND CLEAR OF ANY SECURITY INTEREST, AND (II) ANY NECESSARY APPROVALS OR NOTIFICATIONS ARE NOT OBTAINED OR MADE OR THAT ANY REQUIREMENTS OF LAWS OR JUDGMENTS ARE NOT COMPLIED WITH.

ARTICLE III.
COMPLETION OF THE INTERNAL DISTRIBUTION

Immediately following the completion of the First Contribution and immediately prior to the Second Contribution, in accordance with the Restructuring Steps Memorandum, EESLP shall distribute all of the outstanding shares of Controlled Common Stock to RemainCo and General Holdings on a pro rata basis in respect of each such entity's respective interest in EESLP. Immediately following such distribution, General Holdings will distribute all of the Controlled

Common Stock received by General Holdings from EESLP to RemainCo. Following the completion of the Internal Distribution, RemainCo shall directly own all of the outstanding shares of Controlled Common Stock.

ARTICLE IV.
SECOND CONTRIBUTION

4.1 **Contribution to SpinCo.**

(a) Following the completion of the Internal Distribution and prior to the Effective Time, in accordance with the Restructuring Steps Memorandum (for the avoidance of doubt, the Restructuring Steps Memorandum shall take precedence in the event of any conflict between the terms of this Article IV and the Restructuring Steps Memorandum, and any transfers of assets or liabilities made pursuant to this Agreement or any Ancillary Agreement after the Effective Time shall be deemed to have been made prior to the Effective Time consistent with the Restructuring Steps Memorandum), RemainCo grants, contributes, bargains, conveys, assigns, transfers, sets over and delivers to SpinCo, its successors and its assigns, for its and their own use forever, all right, title and interest in and to the SpinCo Contributed Interests, the SpinCo Specified Assets and the SpinCo Intellectual Property in exchange for additional shares of SpinCo Common Stock and the assumption by SpinCo of the SpinCo Specified Liabilities, such that upon completion of this Second Contribution, SpinCo shall own all of the SpinCo Contributed Interests, the SpinCo Specified Assets, SpinCo Specified Liabilities and the SpinCo Intellectual Property.

(b) To the extent that any SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property is not transferred or assigned to, or any SpinCo Specified Liability is not assumed by, SpinCo prior to the Effective Time or is owned or held by a member of the RemainCo Group at or after the Effective Time, from and after the Effective Time, any such SpinCo Specified Asset, SpinCo Controlled Interest, SpinCo Intellectual Property or SpinCo Specified Liability shall be held by such member of the RemainCo Group for the use and benefit of SpinCo or a member of the SpinCo Group entitled thereto (at the expense of the member of the SpinCo Group entitled thereto) in accordance with this Section 4.1:

(i) RemainCo shall, and shall cause its applicable Subsidiaries to, as soon as reasonably practicable, assign, transfer, convey and deliver to SpinCo, and SpinCo shall accept from RemainCo and its applicable Subsidiaries, all of RemainCo's and such Subsidiaries' respective right, title and interest in and to such SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property, as applicable; and

(ii) SpinCo shall, as soon as reasonably practicable, accept, assume and agree faithfully to perform, discharge and fulfill all such SpinCo Specified Liabilities in accordance with their respective terms.

(c) In furtherance of the assignment, transfer, conveyance and delivery of the SpinCo Specified Assets, the SpinCo Contributed Interests and the SpinCo Intellectual Property and the assumption of the SpinCo Specified Liabilities, and without any additional consideration therefor, each of RemainCo and SpinCo shall, and shall cause their respective Subsidiaries to, execute and deliver any Transfer Documents as and to the extent necessary to evidence the transfer, conveyance and assignment of RemainCo's and its applicable Subsidiaries' right, title and interest in and to the SpinCo Specified Assets, the SpinCo Contributed Interests and SpinCo Intellectual Property to SpinCo and the valid and effective assumption of the SpinCo Specified Liabilities by SpinCo.

4.2 **Approvals and Notifications**.

(a) To the extent that the Second Contribution or any assignment, transfer, conveyance and delivery of any of the SpinCo Specified Assets, SpinCo Contributed Interests or SpinCo Intellectual Property or assumption or retention by a member of the SpinCo Group of the SpinCo Specified Liabilities in connection with the Second Contribution requires any Approvals or Notifications, the parties shall endeavor to obtain or make such Approvals or Notifications as soon as reasonably practicable; *provided*, *however*, that, except to the extent expressly provided in this Agreement or any of the Ancillary Agreements or as otherwise agreed between RemainCo and SpinCo, neither RemainCo nor SpinCo nor any member of their respective Groups shall be obligated to contribute capital or pay any consideration in any form (including providing any letter of credit, guaranty or other financial accommodation) to any Person in order to obtain or make such Approvals or Notifications.

(b) If and to the extent that the valid, complete and perfected transfer or assignment to the SpinCo Group of any of the SpinCo Specified Assets, the SpinCo Contributed Interests or SpinCo Intellectual Property or assumption by the SpinCo Group of any SpinCo Specified Liabilities would be a violation of applicable Law, would result in a breach, or constitute a default (or an event which, with the giving of notice or lapse of time, or both, would become a default) under any contract, agreement or other material instrument or would otherwise adversely affect the rights of a member of the RemainCo Group or the SpinCo Group thereunder or require any Approvals or Notifications in connection with the Second Contribution that have not been obtained or made by the Effective Time, then, unless the parties hereto shall otherwise mutually determine, the transfer or assignment to the SpinCo Group of such SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property, as applicable, or the assumption by the SpinCo Group of such SpinCo Specified Liabilities, as the case may be, shall be automatically deemed deferred and any such purported transfer, assignment or assumption shall be null and void until such time as all legal impediments are removed or such Approvals or Notifications have been obtained or made. Notwithstanding the foregoing, any such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability shall continue to constitute a SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability, as applicable, for all other purposes of this Agreement.

(c) If any transfer or assignment of any SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property or any assumption of any SpinCo Specified Liability intended to be transferred, assigned or assumed in connection with the Second Contribution hereunder, as the case may be, is not consummated prior to the Effective Time, whether as a result of the provisions of Section 4.2(b) or for any other reason, then, insofar as reasonably possible, the member of the RemainCo Group retaining such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability, as the case may be, shall thereafter hold such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability, as the case may be, for the use and benefit of the member of the SpinCo Group entitled thereto (at the expense of the member of the SpinCo Group entitled thereto). In addition, the member of the RemainCo Group retaining such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability shall, insofar as reasonably possible and to the extent permitted by applicable Law, treat such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or

SpinCo Specified Liability in the ordinary course of business in accordance with past practice and take such other actions as may be reasonably requested by the member of the SpinCo Group to whom such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability Controlled Asset is to be transferred or assigned, or which will assume such SpinCo Specified Liability, as the case may be, in order to place such member of the SpinCo Group in a substantially similar position as if such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability had been transferred, assigned or assumed as contemplated hereby and so that all the benefits and burdens relating to such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability, as the case may be, including use, risk of loss, potential for gain, and dominion, control and command over such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability, as the case may be, and all costs and expenses related thereto, shall inure from and after the Effective Time to the SpinCo Group.

(d) If and when the Approvals or Notifications, the absence of which caused the deferral of transfer or assignment of any SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property or the deferral of assumption of any SpinCo Specified Liability pursuant to Section 4.2 (b), are obtained or made, and, if and when any other legal impediments for the transfer or assignment of any SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property or the assumption of any SpinCo Specified Liability have been removed, the transfer or assignment of the applicable SpinCo Specified Asset, SpinCo Contributed Interest or SpinCo Intellectual Property or the assumption of the applicable SpinCo Specified Liability in connection with the Second Contribution, as the case may be, shall be effected in accordance with the terms of this Agreement and/or the applicable Ancillary Agreement.

(e) Except as otherwise agreed between RemainCo and SpinCo, any member of the RemainCo Group retaining any SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability (whether as a result of the provisions of Section 4.2(b) or for any other reason), shall not be obligated, in order to effect the transfer of such SpinCo Specified Asset, SpinCo Contributed Interest, SpinCo Intellectual Property or SpinCo Specified Liability to the SpinCo Group, to expend any money unless the necessary funds are advanced (or otherwise made available) by the SpinCo Group, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by the SpinCo Group.

4.3 **Name and Marks.**

(a) Following the completion of the Second Contribution, RemainCo and the other members of the RemainCo Group shall use their best efforts to discontinue all use of the Exterran Name and Marks, including any use on stationery or letterhead and any use on other Controlled Assets, as promptly as practicable after, and in no event beyond the 180-day period following, the Effective Time. All of RemainCo's use of the Exterran Name and Marks shall inure to the benefit of SpinCo. RemainCo agrees to use the Exterran Name and Marks in accordance with such quality standards established by SpinCo and communicated to RemainCo, it being understood that the products and services used in association with the Exterran Name

and Marks immediately before the Effective Time are of a quality that is acceptable to SpinCo and justifies the license granted herein. Except as set forth in this Section 4.3, it is expressly agreed that RemainCo is not obtaining any right, title or interest in the Exterran Name and Marks. RemainCo will not contest the ownership, validity or enforceability of the Exterran Name and Marks, and nothing in this Section 4.3 shall be construed to limit SpinCo's ability to use the Exterran Name and Marks following the Effective Time.

(b) For the avoidance of doubt, RemainCo shall retain all right, title and interest to the Predecessor Names and Marks; *provided*, *however*, that RemainCo's ability to use the Predecessor Names and Marks shall be limited to the use of the Predecessor Names and Marks immediately prior to the Effective Time.

(c) RemainCo hereby grants and conveys to SpinCo a nontransferable, nonexclusive, royalty-free right and license to use the Predecessor Name and Marks consistently with the use of the Predecessor Names and Marks by SpinCo and the other members of the SpinCo Group immediately prior to the Effective Time.

4.4 **Treatment of Shared Intellectual Property**.

(a) Notwithstanding anything in this Agreement to the contrary, the allocation of, and the rights and obligations in connection with, the Intellectual Property identified on Schedule 4.4(a) ("***Shared Intellectual Property***") shall be governed by the terms of the Joint Intellectual Property Agreement.

(b) Nothing in this Section 4.4 shall require any member of any Group to make any material payment (except to the extent advanced, assumed or agreed in advance to be reimbursed by any member of the other Group), incur any material obligation or grant any material concession for the benefit of any member of any other Group, except as set forth in the Joint Intellectual Property Agreement.

4.5 **Novation of SpinCo Specified Liabilities.**

(a) In connection with the Second Contribution, each of SpinCo and RemainCo, at the request of the other, shall endeavor, if reasonably practicable, to obtain, or to cause to be obtained, if reasonably practicable, any consent, substitution, approval or amendment required to novate or assign all obligations under Contracts and other obligations or Liabilities of any nature whatsoever that constitute SpinCo Specified Liabilities, or to obtain in writing the unconditional release of all parties to such arrangements other than any member of the SpinCo Group, so that, in any such case, the members of the SpinCo Group shall be solely responsible for such SpinCo Specified Liabilities; *provided*, *however*, that neither SpinCo nor RemainCo shall be obligated to contribute any capital or pay any

consideration in any form (including providing any letter of credit, guaranty or other financial accommodation) to any third Person from whom any such consent, substitution, approval, amendment or release is requested.

(b) If SpinCo or RemainCo is unable to obtain, or to cause to be obtained, any such required consent, substitution, approval, amendment or release and the applicable member of the RemainCo Group continues to be bound by such Contract or other obligation or Liability (each, an "***Unreleased SpinCo Specified Liability***"), SpinCo shall, to the extent not prohibited by Law,

as indemnitor, guarantor, agent or subcontractor for such member of the RemainCo Group, as the case may be, (i) pay, perform and discharge fully all the obligations or other Liabilities of such member of the RemainCo Group that constitute Unreleased SpinCo Specified Liabilities from and after the Effective Time and (ii) use its commercially reasonable efforts to effect such payment, performance, or discharge prior to any demand for such payment, performance, or discharge is permitted to be made by the obligee thereunder on any member of the RemainCo Group. If and when any such consent, substitution, approval, amendment or release shall be obtained or the Unreleased SpinCo Specified Liabilities shall otherwise become assignable or able to be novated, RemainCo shall promptly assign, or cause to be assigned, and SpinCo or the applicable SpinCo Group member shall assume, such Unreleased SpinCo Specified Liabilities without exchange of further consideration.

ARTICLE V.
COMPLETION OF THE EXTERNAL DISTRIBUTION

5.1 **Actions Prior to the External Distribution**. Following the Second Contribution and prior to the Effective Time, subject to the terms and conditions set forth herein, the Parties shall take, or cause to be taken, the following actions in connection with the External Distribution:

(a) *Notice to NYSE*. RemainCo shall, to the extent possible, give the NYSE not less than ten (10) days' advance notice of the Record Date in compliance with Rule 10b-17 under the Exchange Act.

(b) *Securities Law Matters*. SpinCo shall file with the SEC any amendments or supplements to the Form 10 as may be necessary or advisable in order to cause the Form 10 to become and remain effective as required by the SEC or federal, state or other applicable securities Laws. RemainCo and SpinCo shall cooperate in preparing, filing with the SEC and causing to become effective registration statements or amendments thereof which are required to reflect the establishment of, or amendments to, any employee benefit and other plans necessary or advisable in connection with the transactions contemplated by this Agreement and the Ancillary Agreements. RemainCo and SpinCo shall take all such action as may be necessary or advisable under the securities or "blue sky" Laws of the United States (and any comparable Laws under any non-U.S. jurisdiction) in connection with the transactions contemplated by this Agreement and the Ancillary Agreements.

(c) *Mailing of Information Statement*. RemainCo shall, as soon as is reasonably practicable after the Form 10 is declared effective under the Exchange Act and the RemainCo Board has approved the External Distribution, cause the Information Statement to be mailed to the Record Holders.

(d) *The Distribution Agent*. RemainCo shall enter into a distribution agent agreement with the Agent or otherwise provide instructions to the Agent regarding the External Distribution.

(e) *Stock-Based Employee Benefit Plans*. At or prior to the Effective Time, RemainCo and SpinCo shall take all actions as may be necessary to approve the stock-based

employee benefit plans of SpinCo in order to satisfy the requirements of Rule 16b-3 under the Exchange Act and the applicable rules and regulations of the NYSE.

(f) *Certificate of Incorporation; Bylaws*. RemainCo and SpinCo shall take all necessary action that may be required to provide for the adoption by SpinCo of the Amended and Restated Certificate of Incorporation of SpinCo substantially in the form attached hereto as Exhibit H (the "SpinCo Certificate of Incorporation") and the Amended and Restated Bylaws of SpinCo substantially in the form attached hereto as Exhibit I, and SpinCo shall file the SpinCo Certificate of Incorporation with the Secretary of State of the State of Delaware.

(g) *Financings*. Prior to the Distribution Date, EESLP shall enter into the SpinCo Credit Facility, on such terms and conditions as agreed by RemainCo (including the amounts, if any, that shall be borrowed or incurred, as applicable, pursuant to the SpinCo Credit Facility and the respective interest rates for such amounts). RemainCo and SpinCo shall participate in the preparation of all materials and presentations as may be reasonably necessary to secure funding pursuant to the SpinCo Credit Facility, including any marketing efforts or road shows related thereto.

(h) *Restructuring Steps Memorandum*. RemainCo and SpinCo shall take the steps set forth and in the order specified on the Restructuring Steps Memorandum, which, for the avoidance of doubt, is a part of this Agreement and sets forth certain additional rights and obligations of the Parties and their respective Subsidiaries and Affiliates hereunder, to the extent the Restructuring Steps Memorandum contemplates such steps being taken at or prior to the Effective Time.

(i) *Satisfying Conditions to External Distribution*. RemainCo and SpinCo shall cooperate to cause the conditions to the External Distribution set forth in Section 5.3 to be satisfied and to effect the External Distribution at the Effective Time.

5.2 **Effecting the External Distribution**.

(a) *Delivery of SpinCo Common Stock*. On or prior to the Distribution Date, RemainCo shall deliver to the Agent, for the benefit of the Record Holders, book-entry transfer authorizations for such number of the outstanding shares of SpinCo Common Stock as is necessary to effect the External Distribution.

(b) *Effective Time*. The Effective Time on the Distribution Date shall be 3:01 p.m. Central Time , or such other time as RemainCo may determine.

(c) *Distribution of Shares and Cash*. RemainCo shall instruct the Agent to distribute, as soon as practicable following the Effective Time, to each Record Holder the following: (i) one (1) share of SpinCo Common Stock for every two (2) shares of RemainCo Common Stock held by such Record Holder as of

the Record Date and (ii) cash, if applicable, in lieu of fractional shares obtained in the manner provided in Section 5.2(d).

(d) *No Fractional Shares*. No fractional shares shall be distributed or credited to book-entry accounts in connection with the External Distribution. As soon as practicable after the Effective Time, RemainCo shall direct the Agent to determine the number of whole shares

and fractional shares of SpinCo Common Stock allocable to each holder of record or beneficial owner of RemainCo Common Stock as of the Record Date, to aggregate all such fractional shares and to sell the whole shares obtained thereby in open market transactions (with the Agent, in its sole and absolute discretion, determining when, how and through which broker-dealer and at what price to make such sales), and to cause to be distributed to each such holder or for the benefit of each such beneficial owner, in lieu of any fractional share, such holder's or owner's ratable share of the proceeds of such sale, after deducting any taxes required to be withheld and after deducting an amount equal to all brokerage charges, commissions and transfer taxes attributed to such sale. Neither RemainCo nor SpinCo shall be required to guarantee any minimum sale price for the fractional shares of SpinCo Common Stock. Neither RemainCo nor SpinCo shall be required to pay any interest on the proceeds from the sale of fractional shares.

(e) *Beneficial Owners*. Solely for purposes of computing fractional share interests pursuant to Section 5.2(d), the beneficial owner of RemainCo Common Stock held of record in the name of a nominee in any nominee account shall be treated as the holder of record with respect to such shares.

(f) *Unclaimed Stock or Cash*. Any SpinCo Common Stock or cash in lieu of fractional shares with respect to SpinCo Common Stock that remains unclaimed by any Record Holder one hundred eighty (180) days after the Distribution Date shall be delivered to SpinCo. SpinCo shall hold such SpinCo Common Stock for the account of such Record Holder, and the parties agree that all obligations to provide such SpinCo Common Stock and cash, if any, in lieu of fractional share interests shall be obligations of SpinCo, subject in each case to applicable escheat or other abandoned property Laws, and RemainCo shall have no Liability with respect thereto.

(g) *Transfer Authorizations*. SpinCo agrees to provide all book-entry transfer authorizations for shares of SpinCo Common Stock that RemainCo or the Agent shall require in order to effect the External Distribution.

5.3 **Conditions to the External Distribution**. The consummation of the External Distribution shall be subject to the satisfaction, or waiver by RemainCo in its sole and absolute discretion, of the following conditions:

(a) *Approval by RemainCo Board*. This Agreement and the transactions contemplated hereby, including the transactions contemplated by the Restructuring Steps Memorandum and the declaration of the External Distribution, shall have been approved by the RemainCo Board, and such approval shall not have been withdrawn.

(b) *Opinion of Legal Counsel*. RemainCo shall have received an opinion from Latham & Watkins LLP, in form and substance satisfactory to RemainCo, substantially to the effect that, for U.S. federal income tax purposes (i) the Internal Distribution should qualify under Sections 355 and 368(a)(1)(D) of the Code and (ii) the External Distribution should qualify under Sections 355 and 368(a)(1)(D) of the Code.

(c) *Solvency Opinion.* RemainCo will have received an opinion, in form and substance satisfactory to RemainCo it, of Duff & Phelps, LLC as to the solvency of RemainCo and SpinCo following the Effective Time;

(d) *Effectiveness of Form 10; Mailing of Information Statement*. The Form 10 registering the SpinCo Common Stock shall be effective under the Exchange Act, with no stop order in effect with respect thereto, and the Information Statement included therein shall have been mailed to RemainCo's stockholders as of the Record Date.

(e) *Listing on NYSE*. The SpinCo Common Stock shall have been accepted for listing on the NYSE, subject to official notice of distribution.

(f) *Securities Laws*. The actions and filings necessary or appropriate under applicable securities Laws in connection with the External Distribution shall have been taken or made, and, where applicable, have become effective or been accepted by the applicable Governmental Authority.

(g) *Completion of the Internal Distribution and Second Contribution*. The Internal Distribution and the Second Contribution shall have been completed in accordance with the Restructuring Steps Memorandum and RemainCo shall be satisfied in its sole discretion that, as of the Effective Time, it shall have no further Liability whatsoever under the SpinCo Credit Facility (including in connection with any guarantees provided by any member of the RemainCo Group).

(h) *RemainCo Board Resignations.* RemainCo will have delivered to SpinCo the resignation of each person who is an officer or director of a member of the SpinCo Group prior to the Distribution Date and will continue as an officer or director of a member of the RemainCo Group following the Distribution Date;

(i) *Distribution Agent Agreement.* RemainCo will have entered into a Distribution Agent Agreement with, or provided instructions regarding the External Distribution to, the Agent;

(j) *Execution of Ancillary Agreements*. Each of the Ancillary Agreements shall have been duly executed and delivered by the parties thereto.

(k) *Governmental Approvals*. All Governmental Approvals necessary to consummate the External Distribution and to permit the operation of the SpinCo Business after the Effective Time substantially as it is conducted at the date hereof shall have been obtained and be in full force and effect.

(l) *No Order or Injunction*. No order, injunction or decree issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the External Distribution or any of the related transactions shall be in effect, and no other event outside the control of RemainCo shall have occurred or failed to occur that prevents the consummation of the External Distribution or any of the related transactions.

(m) *No Circumstances Making Distribution Inadvisable*. No events or developments shall have occurred or exist that, in the judgment of the RemainCo Board, in its sole and absolute discretion, make it inadvisable to effect the External Distribution or the other transactions contemplated hereby, or would result in the External Distribution or the other transactions contemplated hereby not being in the best interest of RemainCo or its stockholders.

5.4 **Sole Discretion**. The foregoing conditions are for the sole benefit of RemainCo and shall not give rise to or create any duty on the part of RemainCo or the RemainCo Board to waive or not waive such conditions or in any way limit RemainCo's right to terminate this Agreement as set forth in Article IX or alter the consequences of any such termination from those specified in such Article. Any determination made by the RemainCo Board prior to the External Distribution concerning the satisfaction or waiver of any or all of the conditions set forth in Section 3.3 shall be conclusive.

5.5 **Closing.** The closing and consummation of the transactions contemplated by this Agreement to occur prior to or on the Distribution Date shall take place at the principal executive offices of RemainCo located in Houston, Texas.

ARTICLE VI.
DISPUTE RESOLUTION

6.1 **General Provisions.**

(a) Any dispute, controversy or claim arising out of or relating to this Agreement or the Ancillary Agreements (except as otherwise set forth in any such Ancillary Agreements) (a "***Dispute***"), including (i) the validity, interpretation, breach or termination thereof or (ii) whether any Asset or Liability not specifically characterized in this Agreement or its Schedules, whose proper characterization is disputed, is a SpinCo Asset or Controlled Asset or a SpinCo Liability or Controlled Liability, shall be resolved in accordance with the procedures set forth in this Article VI and Article VII, which shall be the sole and exclusive procedures for the resolution of any such Dispute unless otherwise specified in the applicable Ancillary Agreement or in this Article VI or Article VII.

(b) THE PARTIES EXPRESSLY WAIVE AND FORGO ANY RIGHT TO TRIAL BY JURY.

(c) The specific procedures set forth in this Article VI, including the time limits referenced herein, may be modified by agreement of both of the Parties in writing.

(d) All applicable statutes of limitations and defenses based upon the passage of time shall be tolled while the procedures specified in this Article VI are pending. The Parties shall take any necessary or appropriate action required to effectuate such tolling.

(e) Commencing with a request contemplated by Section 6.2, all communications between the parties or their representatives in connection with the attempted resolution of any Dispute shall be deemed to have been delivered in furtherance of a Dispute settlement and shall be exempt from discovery and production, and shall not be admissible into evidence for any

reason (whether as an admission or otherwise), in any arbitral or other proceeding for the resolution of any Dispute.

6.2 **Consideration by Senior Executives**. If a Dispute is not resolved in the normal course of business at the operational level, the Parties shall attempt in good faith to resolve the Dispute by negotiation between executives designated by the parties who hold, at a minimum, the office of Senior Vice President and/or General Counsel (such designated executives, the "***Dispute Committee***"). Either party may initiate the executive negotiation process by providing a written notice to the other (the "***Initial Notice***"). The Parties agree that the Dispute Committee shall have full and complete authority to resolve any Disputes submitted pursuant to this Section 6.2. Such Dispute Committee and other applicable executives shall meet in person or by teleconference or video conference within ten (10) days of the date of the Initial Notice to seek a resolution of the Dispute. In the event that the Dispute Committee and other applicable executives are unable to agree to a format for such meeting, the meeting shall be convened in person at a mutually acceptable location in Houston, Texas.

6.3 **Arbitration**.

(a) In the event any Dispute is not finally resolved pursuant to Section 6.2 within thirty (30) days from the delivery of the Initial Notice, and unless the parties have mutually agreed to mediate or use some other form of alternative dispute resolution in an attempt to resolve the Dispute, then such Dispute may be submitted by either party to be finally resolved by binding arbitration pursuant to the AAA Commercial Arbitration Rules as then in effect (the "***AAA Commercial Arbitration Rules***").

(b) Without waiving its rights to any remedy under this Agreement and without first complying with the provisions of Section 6.2, either party may seek any interim or provisional relief that is necessary to protect the rights or property of that party either (i) before any federal or state court in Harris County, Texas, (ii) before a special arbitrator, as provided for under the AAA Commercial Arbitration Rules, or (iii) before the arbitral tribunal established hereunder.

(c) Unless otherwise agreed by the parties in writing, any Dispute to be decided in arbitration hereunder shall be decided (i) before a sole arbitrator if the amount in dispute, inclusive of all claims and counterclaims, totals less than $3,000,000; or (ii) by an arbitral tribunal of three (3) arbitrators if (A) the amount in dispute, inclusive of all claims and counterclaims, is equal to or greater than $3,000,000 or (B) either party elects in writing to have such dispute decided by three (3) arbitrators when one of the parties believes, in its sole judgment, the issue could have significant precedential value; however, the party who makes such election under clause (B) shall solely bear the increased costs and expenses associated with a panel of three (3) arbitrators (i.e., the additional costs and expenses associated with the two (2) additional arbitrators).

(d) A panel of three (3) neutral arbitrators shall be chosen as follows: (i) upon the written demand of either party and within twenty (20) days from the date of receipt of such demand, each party shall name an arbitrator selected by such party in its sole discretion; and (ii) the two (2) party-appointed arbitrators shall thereafter, within thirty (30) days from the date on which the second of the two (2) arbitrators was named, name a third, independent arbitrator who

shall act as chairperson of the arbitral tribunal. In the event that either party fails to name an arbitrator within twenty (20) days from the date of receipt of a written demand to do so, then upon written application by either party, that arbitrator shall be appointed pursuant to the AAA Commercial Arbitration Rules. In the event that the two (2) party-appointed arbitrators fail to appoint the third, independent arbitrator within twenty (20) days from the date on which the second of the two (2) arbitrators was named, then upon written application by either party, the third, independent arbitrator shall be appointed pursuant to AAA Commercial Arbitration Rules. If the arbitration shall be before a sole independent arbitrator, then the sole independent arbitrator shall be appointed by agreement of the parties within thirty (30) days from the date of receipt of written demand of either party. If the parties cannot agree to a sole independent arbitrator, then upon written application by either party, the sole independent arbitrator shall be appointed pursuant to AAA Commercial Arbitration Rules.

(e) The place of arbitration shall be Houston, Texas. Along with the arbitrator(s) appointed, the parties shall agree to a mutually convenient location, date and time to conduct the arbitration, but in no event shall the final hearing(s) be scheduled more than six (6) months from submission of the Dispute to arbitration unless the parties agree otherwise in writing.

(f) The arbitral tribunal shall have the right to award, on an interim basis, or include in the final award, any relief that it deems proper in the circumstances, including money damages (with interest on unpaid amounts from the due date) and injunctive relief (including specific performance); *provided* that the arbitral tribunal shall not award any relief not specifically requested by the parties and, in any event, shall not award any damages of the types prohibited under Section 11.18. Upon constitution of the arbitral tribunal following any grant of interim relief by a special arbitrator or court pursuant to Section 6.3(b), the tribunal may affirm or disaffirm that relief, and the parties shall seek modification or rescission of the order entered by the special arbitrator or court as necessary to accord with the tribunal's decision.

(g) Neither party shall be bound by Rule 13 of the Federal Rules of Civil Procedure or any analogous Law or provision in the AAA Commercial Arbitration Rules governing deadlines for compulsory counterclaims; rather, each party shall be free to bring a counterclaim at any time (subject to any applicable statutes of limitation).

(h) So long as either party has a timely claim to assert, the agreement to arbitrate Disputes set forth in this Section 6.3 shall continue in full force and effect subsequent to, and notwithstanding the completion, expiration or termination of, this Agreement.

(i) The parties agree that, subject to the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq. and the Texas Arbitration Act, Tex. Civ. Prac. & Rem. Code §§ 171.000 et seq., the interim or final award in an arbitration pursuant to this Article VI shall be conclusive and binding upon the parties, and a party obtaining a final award may enter judgment upon such award in any federal or state court in Harris County, Texas.

(j) It is the intent of the parties that the agreement to arbitrate Disputes set forth in this Section 6.3 shall be interpreted and applied broadly such that all reasonable doubts as to arbitrability of a Dispute shall be decided in favor of arbitration.

(k) The parties agree that any Dispute submitted to arbitration shall be governed by, and construed and interpreted in accordance with Laws of the State of Texas, as provided in Section 9.2 and, except as otherwise provided in this Article IV or mutually agreed to in writing by the parties, the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., shall govern any arbitration between the parties pursuant to this Section 6.3.

(l) Subject to Section 6.3(c)(ii)(B), each party shall bear its own fees, costs and expenses and shall bear an equal share of the costs and expenses of the arbitration, including the fees, costs and expenses of the three (3) arbitrators; *provided* that the arbitral tribunal may award the prevailing party its reasonable fees and expenses (including attorneys' fees), if such arbitral tribunal finds that there was no good faith basis for the position taken by the other party in the arbitration.

(m) Notwithstanding anything in this Article VI to the contrary, any disputes relating to the interpretation of Article VII or requesting injunctive relief or specific performance shall be conducted according to the fast-track arbitration procedures of the AAA Commercial Arbitration Rules then in effect.

6.4 **Allocation of Undetermined Liabilities and Third-Party Claims**.

(a) If either Party or any of its Subsidiaries shall receive notice or otherwise learn of the assertion of a Liability or Third-Party Claim which is not determined to be a SpinCo Liability or a Controlled Liability, such Party shall give the other Party written notice thereof promptly (and in any event within fifteen (15) days) after such Person becomes aware of such Liability or Third-Party Claim. Thereafter, the Party shall deliver to the other Party, promptly (and in any event within ten (10) days) after the Party's receipt thereof, copies of all notices and documents (including court papers) received by the Party or the member of such Party's Group relating to the matter. If a dispute shall arise between the Parties as to the proper characterization of any Liability and such Liability cannot be characterized pursuant to the methodology set forth in Section 2.3, then any Party may refer that Dispute to the Dispute Committee in accordance with Section 6.2.

(b) RemainCo may commence defense of any unallocated Third-Party Claims pending decision of the Dispute Committee (or decision regarding an Action, if applicable), but shall not be obligated to do so. If RemainCo commences any such defense and subsequently SpinCo is determined hereunder to have the exclusive obligation to such Third-Party Claim, then, upon the request of SpinCo, RemainCo shall promptly discontinue the defense of such matter and transfer the control thereof to SpinCo. In such event, SpinCo will reimburse RemainCo for all costs and expenses incurred prior to resolution of such dispute in the defense of such Third-Party Claim.

ARTICLE VII.
MUTUAL RELEASES; INDEMNIFICATION; COOPERATION; INSURANCE

7.1 **Release of Claims Prior to External Distribution**.

(a) Except as provided in Section 7.1(c), effective as of the Effective Time, Controlled does hereby, for itself and each other member of the RemainCo Group, their

respective Affiliates (other than any member of the SpinCo Group), successors and assigns, and all Persons who at any time prior to the Effective Time have been directors, officers, agents or employees of any member of the RemainCo Group (in each case, in their respective capacities as such), release and forever discharge

EESLP, the respective members of the SpinCo Group, their respective Affiliates (other than any member of the RemainCo Group), successors and assigns, and all Persons who at any time prior to the Effective Time have been stockholders, directors, officers, agents or employees of any member of the SpinCo Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever (other than Liabilities subject to indemnification under Section 7.3), whether at Law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, including in connection with the transactions related to or undertaken in connection with the Internal Distribution and the External Distribution and all other activities to implement the Internal Distribution and the External Distribution or contemplated hereunder.

(b) Except as provided in Section 7.1(c), effective as of the Effective Time, EESLP does hereby, for itself and each other member of the SpinCo Group, their respective Affiliates (other than any member of the RemainCo Group), successors and assigns, and all Persons who at any time prior to the Effective Time have been directors, officers, agents or employees of any member of the SpinCo Group (in each case, in their respective capacities as such), release and forever discharge Controlled, the respective members of the RemainCo Group, their respective Affiliates (other than any member of the SpinCo Group), successors and assigns, and all Persons who at any time prior to the Effective Time have been stockholders, directors, officers, agents or employees of any member of the RemainCo Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever (other than Liabilities subject to indemnification under Section 7.2), whether at Law or in equity (including any right of contribution), whether arising under any contract or agreement, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the Effective Time, including in connection with the transactions related to or undertaken in connection with the Internal Distribution and the External Distribution and all other activities to implement the Internal Distribution and the External Distribution or contemplated hereunder.

(c) Nothing contained in Section 7.1(a) or (b) shall impair any right of any Person to enforce this Agreement, any Ancillary Agreement or any agreements, arrangements, commitments or understandings that are specified in Section 2.9(b) or the applicable schedules hereto or thereto as not to terminate as of the Effective Time, in each case in accordance with its terms. Nothing contained in Section 7.1(a) or (b) shall release any Person from:

(i) any Liability provided in or resulting from any agreement among any members of the SpinCo Group or the RemainCo Group that is specified in Section 2.9(b) or the applicable Schedules thereto as not to terminate as of the Effective Time, or any

other Liability specified in such Section 2.9(b) as not to terminate as of the Effective Time;

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any member of any Group under, this Agreement or any Ancillary Agreement (including any Controlled Liability and any SpinCo Liability, as applicable);

(iii) any Liability that the parties may have with respect to indemnification or contribution pursuant to this Agreement for claims brought against the Parties by third parties, which Liability shall be governed by the provisions of this Article VII and Article VIII and any other applicable provisions of this Agreement or any Ancillary Agreement; or

(iv) any Liability the release of which would result in the release of any third Person other than a Person released pursuant to this Section 7.1.

In addition, nothing contained in Section 7.1(a) or (b) shall release RemainCo from honoring its obligations to indemnify any director, officer or employee of a member of the RemainCo Group or the SpinCo Group on or prior to the Effective Time, to the extent that such director, officer or employee becomes a named defendant in any Action with respect to which such director, officer or employee was entitled to indemnification by RemainCo immediately prior to the Effective Time, it being understood that, if the underlying obligation giving rise to such Action is a SpinCo Liability, EESLP shall indemnify Controlled for such Liability (including Controlled's costs to indemnify the director, officer or employee) in accordance with the provisions set forth in this Article VII.

(d) Controlled covenants that it shall not make, and shall not permit any member of the RemainCo Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against EESLP or any member of the SpinCo Group, or any other Person released pursuant to Section 7.1(a), with respect to any Liabilities released pursuant to Section 7.1(a). EESLP covenants that it shall not make, and shall not permit any member of the SpinCo Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution or any indemnification, against Controlled or any member of the RemainCo Group, or any other Person released pursuant to Section 7.1(b), with respect to any Liabilities released pursuant to Section 7.1(b).

(e) It is the intent of each of EESLP and Controlled, by virtue of the provisions of this Section 7.1, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed on or before the Effective Time, between or among Controlled or any member of the RemainCo Group, on the one hand, and EESLP or any member of the SpinCo Group, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such members on or before the Effective Time), except as expressly set forth in Section 7.1(c). At any time, at the request of any other party to this Agreement, each party shall cause each member of

its respective Group to execute and deliver releases in form reasonably satisfactory to the other party reflecting the provisions hereof.

(f) Any breach of the provisions of this Section 7.1 by either EESLP or Controlled shall entitle the other party to recover reasonable fees and expenses of counsel in connection with such breach or any Action resulting from such breach.

7.2 **Indemnification by Controlled**. Subject to Section 7.4, Controlled shall, and shall cause the other members of the RemainCo Group to, indemnify, defend and hold harmless EESLP, each member of the SpinCo Group and each of their respective directors, officers and employees, and each of the

heirs, executors, successors and assigns of any of the foregoing (collectively, the "***SpinCo Indemnitees***"), from and against any and all Liabilities of the SpinCo Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the RemainCo Business, any Controlled Liabilities (including the Allocable Portion of any member of the RemainCo Group with respect to any Shared Liability (including, if applicable, any Corporate Action)) or any Controlled Assets, including any failure of Controlled or any other member of the RemainCo Group or any other Person to pay, perform or otherwise promptly discharge any Controlled Liabilities or Controlled Contracts in accordance with their respective terms, whether prior to or after the Effective Time or the date hereof;

(b) any Action (including, if applicable, a Corporate Action) relating exclusively to the RemainCo Business from which Controlled is unable to cause a SpinCo Group party to be removed pursuant to Section 7.6(d);

(c) any failure by Controlled or a member of the RemainCo Group to use commercially reasonable efforts to obtain the waivers of subrogation contemplated by Section 7.4(c);

(d) any breach by Controlled or any member of the RemainCo Group of this Agreement or any of the Ancillary Agreements; and

(e) any guarantee, indemnification obligation, letter of credit reimbursement obligations, surety, bond or other credit support agreement, arrangement, commitment or understanding for the benefit of Controlled or its Subsidiaries by EESLP or any of its Subsidiaries or Affiliates (other than Controlled or its Subsidiaries) that survives following the Effective Time.

7.3 **Indemnification by EESLP**. Subject to Section 7.4, EESLP shall, and shall cause the other members of the SpinCo Group to, indemnify, defend and hold harmless Controlled, each member of the RemainCo Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "***RemainCo Indemnitees***"), from and against any and all Liabilities of the RemainCo Indemnitees relating to, arising out of or resulting from any of the following items (without duplication):

(a) the SpinCo Business, any SpinCo Liabilities (including the Allocable Portion of any member of the SpinCo Group with respect to any Shared Liability (including, if applicable, any Corporate Action)) or any SpinCo Assets, including any failure of EESLP or any other member of the SpinCo Group or any other Person to pay, perform or otherwise promptly discharge any SpinCo Liabilities or SpinCo Contracts in accordance with their respective terms, whether prior to or after the Effective Time or the date hereof;

(b) any Action (including, if applicable, a Corporate Action) relating exclusively to the SpinCo Business from which SpinCo is unable to cause a RemainCo Group party to be removed pursuant to Section 7.6(d);

(c) any failure by EESLP or a member of the SpinCo Group to use commercially reasonable efforts to obtain the waivers of subrogation contemplated by Section 7.4(c); and

(d) any breach by EESLP or any member of the SpinCo Group of this Agreement or any Ancillary Agreements.

7.4 **Indemnification Obligations Net of Insurance Proceeds**.

(a) The parties intend that any Liability subject to indemnification or reimbursement pursuant to this Article VII or Article VIII shall be net of Insurance Proceeds that actually reduce the amount of the Liability. Accordingly, the amount that any party (an "***Indemnifying Party***") is required to pay to any Person entitled to indemnification hereunder (an "***Indemnitee***") shall be reduced by any Insurance Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Liability. If an Indemnitee receives a payment (an "***Indemnity Payment***") required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives Insurance Proceeds, then the Indemnitee shall pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer who would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto, it being expressly understood and agreed that no insurer or any other Third Party shall be entitled to a "windfall" (i.e., a benefit they would not be entitled to receive in the absence of the indemnification provisions hereof) by virtue of the indemnification provisions hereof.

(c) Each of EESLP and Controlled shall, and shall cause the members of its Group to, when appropriate, use commercially reasonable efforts to obtain waivers of subrogation for each of the insurance policies described in Section 7.16. Each of EESLP and Controlled hereby waives, for itself and each member of its Group, its rights to recover against the other party in subrogation or as subrogee for a third Person.

(d) For all claims as to which indemnification is provided under Section 7.2 or 7.3 other than Third-Party Claims (as to which Section 7.5 shall apply), the reasonable fees and expenses of counsel to the Indemnitee for the enforcement of the indemnity obligations shall be borne by the Indemnifying Party.

7.5 **Procedures for Indemnification of Third-Party Claims**.

(a) If an Indemnitee shall receive written notice from a Person (including any Governmental Authority) who is not a member of the RemainCo Group or the SpinCo Group (a "***Third Party***") of any claim or of the commencement by any such Person of any Action (collectively, a "***Third-Party Claim***") with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnitee pursuant to Section 7.2 or 7.3, or any other Section of this Agreement or, subject to Section 7.14, any Ancillary Agreement, such Indemnitee shall give such Indemnifying Party written notice thereof within fourteen (14) days of receipt of such written notice. Any such notice shall describe the Third-Party Claim in reasonable detail and include copies of all notices and documents (including court papers) received by the Indemnitee relating to the Third-Party Claim. Notwithstanding the foregoing, the failure of an Indemnitee to provide notice in accordance with this Section 7.5(a) shall not relieve an Indemnifying Party of its indemnification obligations under this Agreement, except to the extent

to which the Indemnifying Party shall demonstrate that it was materially prejudiced by the Indemnitee's failure to provide notice in accordance with this Section 7.5(a).

(b) Subject to the terms and conditions of any applicable insurance policy in place after the Effective Time, an Indemnifying Party may elect to defend (and to seek to settle or compromise), at such Indemnifying Party's own expense and by such Indemnifying Party's own counsel, any Third Party Claim. Within thirty (30) days after the receipt of notice from an Indemnitee in accordance with Section 7.5(a) (or sooner, if the nature of such Third-Party Claim so requires), the Indemnifying Party shall notify the Indemnitee of its election whether the Indemnifying Party shall assume responsibility for defending such Third-Party Claim. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third-Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnitee except as otherwise expressly set forth herein.

(c) If an Indemnifying Party has elected to assume the defense of a Third-Party Claim, then such Indemnifying Party shall be solely liable for all fees and expenses incurred by it in connection with the defense of such Third-Party Claim and shall not be entitled to seek any indemnification or reimbursement from the Indemnitee for any such fees or expenses incurred during the course of its defense of such Third Party Claim, regardless of any subsequent decision by the Indemnifying Party to reject or otherwise abandon its assumption of such defense. If an Indemnifying Party elects not to assume responsibility for defending any Third-Party Claim or fails to notify an Indemnitee of its election within thirty (30) days after receipt of a notice from an Indemnitee, such Indemnitee shall have the right to control the defense of such Third-Party Claim, in which case the Indemnifying Party shall be liable for all reasonable fees and expenses incurred by the Indemnitee in connection with the defense of such Third-Party Claim.

(d) Notwithstanding an election by an Indemnifying Party to defend a Third-Party Claim pursuant to Section 7.5(b), a Indemnitee may, upon notice to the Indemnifying Party, elect to take over the defense of such Third-Party Claim if (i) in its exercise of reasonable business judgment, the Indemnitee determines that the Indemnifying Party is not defending such Third-Party Claim competently or in good faith, (ii) the Indemnitee determines in its exercise of

reasonable business judgment that there exists a compelling business reason for such Indemnitee to defend such Third-Party Claim (other than as contemplated by the foregoing clause (i)), (iii) the Indemnifying Party makes a general assignment for the benefit of creditors, has filed against it or files a petition in bankruptcy or insolvency or is declared bankrupt or insolvent or declares that it is bankrupt or insolvent, or (iv) there occurs a change of control of the Indemnifying Party.

(e) An Indemnitee that does not conduct and control the defense of any Third-Party Claim, or an Indemnifying Party that has failed to elect to defend any Third-Party Claim as contemplated hereby, nevertheless shall have the right to employ separate counsel (including local counsel as necessary) of its own choosing to monitor and participate in (but not control) the defense of any Third-Party Claim for which it is a potential Indemnitee or Indemnifying Party, but the fees and expenses of such counsel shall be at the expense of such Indemnitee or Indemnifying Party, as the case may be, and the provisions of Section 7.5(c) shall not apply to such fees and expenses. Notwithstanding the foregoing, subject to Section 8.7, such party shall cooperate with the party entitled to conduct and control the defense of such Third-Party Claim in such defense and make available to the controlling party, at the non-controlling party's expense, all witnesses, information and materials in such party's possession or under such party's control relating thereto as are reasonably required by the controlling party. In addition to the foregoing, if any Indemnitee shall in good faith determine that such Indemnitee and the Indemnifying Party have actual or potential differing defenses or conflicts of interest between them that make joint representation inappropriate, then the Indemnitee shall have the right to employ separate counsel (including local counsel as necessary) and to participate in (but not control) the defense, compromise or settlement thereof, and the Indemnifying Party shall bear the reasonable fees and expenses of such counsel for all Indemnitees.

(f) Neither party may settle or compromise any Third-Party Claim for which either party is seeking to be indemnified hereunder without the prior written consent of the other party, which consent may not be unreasonably withheld, unless such settlement or compromise is solely for monetary damages, does not involve any finding or determination of wrongdoing or violation of Law by the other party and provides for a full, unconditional and irrevocable release of the other party from all Liability in connection with the Third-Party Claim. The parties hereby agree that if a party presents the other party with a written notice containing a proposal to settle or compromise a Third-Party Claim for which either party is seeking to be indemnified hereunder and the party receiving such Proposal does not respond in any manner to the party presenting such proposal within thirty (30) days (or within any such shorter time period that may be required by applicable Law or court order) of receipt of such proposal, then the party receiving such proposal shall be deemed to have consented to the terms of such proposal.

(g) Schedule 7.5(g) identifies certain pending Third-Party Claims with respect to which Liabilities will be allocated and the other actions taken as set forth therein. With respect to the Third-Party Claims identified in Schedule 7.5(g), in the event of any conflict between the provisions of this Article VII and the provisions of Schedule 7.5(g), the latter shall govern. There shall be no requirement under this Section 7.5 to give notice with respect to any Third-Party Claims identified in Schedule 7.5(g), that exist as of the Effective Time.

(h) The provisions of this Section 7.5 (other than this Section 7.5(h)) and the provisions of Section 7.6 (other than Section 7.6(g)) shall not apply to Taxes (Taxes being governed by the Tax Matters Agreement).

(i) The Indemnifying Party shall establish a procedure reasonably acceptable to the Indemnitee to keep the Indemnitee reasonably informed of the progress of the Third-Party Claim and to notify the Indemnitee when any such Third-Party Claim is closed, regardless of whether such Third-Party Claim was resolved by settlement, verdict, dismissal or otherwise.

7.6 **Additional Matters**.

(a) Indemnification payments in respect of any Liabilities for which an Indemnitee is entitled to indemnification under this Article VII shall be paid by the Indemnifying Party to the Indemnitee as such Liabilities are incurred upon demand by the Indemnitee, including reasonably satisfactory documentation setting forth the basis for the amount of such indemnification payment, including documentation with respect to calculations made and consideration of any Insurance Proceeds that actually reduce the amount of such Liabilities. THE INDEMNITY AGREEMENTS CONTAINED IN THIS ARTICLE VII SHALL REMAIN OPERATIVE AND IN FULL FORCE AND EFFECT, REGARDLESS OF (I) ANY INVESTIGATION MADE BY OR ON BEHALF OF ANY INDEMNITEE, (II) THE KNOWLEDGE BY THE INDEMNITEE OF LIABILITIES FOR WHICH IT MIGHT BE ENTITLED TO INDEMNIFICATION HEREUNDER AND (III) ANY TERMINATION OF THIS AGREEMENT.

(b) Any claim on account of a Liability that does not result from a Third-Party Claim shall be asserted by written notice given by the Indemnitee to the related Indemnifying Party. Such Indemnifying Party shall have a period of thirty (30) days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such thirty (30)-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such thirty (30)-day period or rejects such claim in whole or in part, such Indemnitee shall be free to pursue such remedies as may be available to such party as contemplated by this Agreement and the Ancillary Agreements.

(c) In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third-Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third-Party Claim against any claimant or plaintiff asserting such Third-Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(d) In the event of an Action for which indemnification is sought pursuant to Section 7.2 or 7.3 and in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, the parties shall use commercially reasonable efforts to substitute the Indemnifying Party for the named defendant.

(e) In the event that EESLP or Controlled establishes a risk accrual in an amount of at least $1,000,000 with respect to any Third-Party Claim for which such party has indemnified the other party pursuant to Section 7.2 or 7.3, as applicable, it shall notify the other party of the existence and amount of such risk accrual (i.e., when the accrual is recorded in the financial statements as an accrual for a potential liability), subject to the parties entering into an appropriate agreement with respect to the confidentiality and/or privilege thereof.

(f) An Indemnitee shall take all reasonable steps to mitigate damages in respect of any claim for which it seeks indemnification hereunder, and shall use reasonable efforts to avoid any costs or expenses associated with such claim and, if such costs and expenses cannot be avoided, to minimize the amount thereof.

(g) Unless otherwise required by applicable Law, the parties will treat (i) any indemnity payment made pursuant to this Agreement or any Ancillary Agreement by RemainCo to SpinCo, or vice versa, in the same manner as if such payment were a non-taxable distribution or capital contribution, as the case may be, made immediately prior to the External Distribution, except to the extent that RemainCo and SpinCo treat a payment as the settlement of an intercompany liability, and (ii) any indemnity payment made pursuant to this Agreement or any Ancillary Agreement by EESLP to Controlled, or vice versa, and the payment of amounts pursuant to Sections 9.7 and 9.8 in the same manner as if such payment were a non-taxable distribution or capital contribution, as the case may be, made immediately prior to the Internal Distribution, except to the extent that Controlled and EESLP treat a payment as the settlement of an intercompany liability.

(h) THE RELEASES AND INDEMNIFICATION OBLIGATIONS OF THE PARTIES IN THIS AGREEMENT ARE EXPRESSLY INTENDED, AND SHALL OPERATE AND BE CONSTRUED, TO APPLY EVEN WHERE THE LOSSES OR LIABILITIES FOR WHICH THE RELEASE AND/OR INDEMNITY ARE GIVEN ARE CAUSED, IN WHOLE OR IN PART, BY THE SOLE, JOINT, JOINT AND SEVERAL, CONCURRENT, CONTRIBUTORY, ACTIVE OR PASSIVE NEGLIGENCE OR THE STRICT LIABILITY OR FAULT OF THE PARTY BEING RELEASED OR INDEMNIFIED.

7.7 **Remedies Cumulative**. The remedies provided in this Article VII shall be cumulative and shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party; *provided*, *however*, if a party has recovered any Losses from the other party pursuant to any provision of this Agreement or any Ancillary Agreement or otherwise, it shall not be entitled to recover the same Losses pursuant to any other provision of this Agreement or any Ancillary Agreement or otherwise.

7.8 **Survival of Indemnities**. The rights and obligations of each of EESLP and Controlled and their respective Indemnitees under this Article VII shall survive (a) the sale or other transfer by any party of any Assets or businesses or the assignment by it of any Liabilities, and (b) any merger, consolidation business combination, sale of all or substantially all of the Assets, restructuring, recapitalization, reorganization or similar transaction involving either party or any of its respective Subsidiaries.

7.9 **Guarantees, Letters of Credit and Other Obligations**. In furtherance of, and not in limitation of, the obligations set forth in Section 2.7:

(a) On or prior to the Effective Time or as soon as practicable thereafter, Controlled shall (with the reasonable cooperation of the applicable member(s) of the SpinCo Group) use its commercially reasonable efforts to have any member(s) of the SpinCo Group removed as guarantor of or obligor for any Controlled Liability, including in respect of those guarantees, letters of credit and other obligations set forth on Schedule 7.9(a)(i). On or prior to the Effective Time or as soon as practicable thereafter, EESLP shall (with the reasonable cooperation of the applicable member(s) of the RemainCo Group) use its commercially reasonable efforts to have any member(s) of the RemainCo Group removed as guarantor of or obligor for any SpinCo Specified Liabilities, including the guarantees listed on Schedule 7.9(a)(ii) but excluding the guarantees listed on Schedule 7.9(c).

(b) On or prior to the Effective Time, (i) to the extent required to obtain a release from a guarantee, letter of credit or other obligation of any member of the SpinCo Group, Controlled shall execute a substitute document in the form of any such existing guarantee or letter of credit, as applicable, or such other form as is agreed to by the relevant parties to such guarantee agreement, letter of credit or other obligation, except to the extent that such existing guarantee contains representations, covenants or other terms or provisions either (A) with which Controlled would be reasonably unable to comply or (B) which would be reasonably expected to be breached and (ii) to the extent required to obtain a release from a guarantee, letter of credit or other obligation of any member of the RemainCo Group, SpinCo shall execute a substitute document in the form of any such existing guarantee or letter of credit, as applicable, or such other form as is agreed to by the relevant parties to such guarantee agreement, letter of credit or other obligation, except to the extent that such existing guarantee contains representations, covenants or other terms or provisions either (A) with which SpinCo would be reasonably unable to comply or (B) which would be reasonably expected to be breached.

(c) If the parties are unable to obtain, or to cause to be obtained, any such required removal as set forth in clauses (a) and (b) of this Section 7.9 or for the guarantees set forth on Schedule 7.9(c) for which SpinCo is not required to remove any member of the RemainCo Group, (i) (A) Controlled shall, and shall cause the other members of the RemainCo Group to, indemnify, defend and hold harmless each of the SpinCo Indemnitees for any Liability arising from or relating to such guarantee, letter of credit or other obligation, as applicable, and shall, as agent or subcontractor for the applicable SpinCo Group guarantor or

obligor, pay, perform and discharge fully all of the obligations or other Liabilities of such guarantor or obligor thereunder, and (B) Controlled shall not, and shall cause the other members of the RemainCo Group not to, agree to renew or extend the term of, increase any obligations under, or transfer to a third Person, any loan, guarantee, letter of credit, lease, contract or other obligation for which a member of the SpinCo Group is or may be liable unless all obligations of the members of the SpinCo Group with respect thereto are thereupon terminated by documentation satisfactory in form and substance to SpinCo in its sole and absolute discretion and (ii) (A) SpinCo shall, and shall cause the other members of the SpinCo Group to, indemnify, defend and hold harmless each of the RemainCo Indemnitees for any Liability arising from or relating to such guarantee, letter of credit or other obligation, as applicable, and shall, as agent or subcontractor for the applicable RemainCo Group guarantor or obligor, pay, perform and discharge fully all of the obligations or

other Liabilities of such guarantor or obligor thereunder, and (B) SpinCo shall not, and shall cause the other members of the SpinCo Group not to, agree to renew or extend the term of, increase any obligations under, or transfer to a third Person, any loan, guarantee, letter of credit, lease, contract or other obligation for which a member of the RemainCo Group is or may be liable unless all obligations of the members of the RemainCo Group with respect thereto are thereupon terminated by documentation satisfactory in form and substance to RemainCo in its sole and absolute discretion.

7.10 **Right of Contribution**.

(a) *Contribution*. If any right of indemnification contained in this Article VII is held unenforceable or is unavailable for any reason, or is insufficient to hold harmless an Indemnitee in respect of any Liability for which such Indemnitee is entitled to indemnification hereunder, then the Indemnifying Party shall contribute to the amounts paid or payable by the Indemnitees as a result of such Liability (or actions in respect thereof) in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and its Subsidiaries, on the one hand, and the Indemnitees entitled to contribution, on the other hand, as well as any other relevant equitable considerations.

(b) *Allocation of Relative Fault*. Solely for purposes of determining relative fault pursuant to this Section 7.10: (i) any fault associated with the business conducted with the Controlled Assets or Controlled Liabilities (except for the gross negligence or intentional misconduct of SpinCo or a SpinCo Subsidiary) or with the ownership, operation or activities of the RemainCo Business, in each case, prior to the Effective Time, shall be deemed to be the fault of RemainCo and its Subsidiaries, and no such fault shall be deemed to be the fault of SpinCo or a SpinCo Subsidiary; and (ii) any fault associated with the business conducted with the SpinCo Assets or SpinCo Liabilities (except for the gross negligence or intentional misconduct of Controlled or a Controlled Subsidiary) or with the ownership, operation or activities of the SpinCo Business, in each case, prior to the Effective Time, shall be deemed to be the fault of SpinCo and its Subsidiaries, and no such fault shall be deemed to be the fault of RemainCo or a RemainCo Subsidiary.

(c) *Contribution Procedures*. The provisions of Sections 7.5 and 7.6 shall govern any contribution claims.

7.11 **No Impact on Third Parties**. For the avoidance of doubt, except as expressly set forth in this Agreement, the indemnifications provided for in this Article VII are made only for purposes of allocating responsibility for Liabilities between the SpinCo Group, on the one hand, and the RemainCo Group, on the other hand, and are not intended to, and shall not, affect any obligations to, or give rise to any rights of, any third parties.

7.12 **No Cross-Claims or Third-Party Claims**. Each of RemainCo and SpinCo agrees that it shall not, and shall not permit the members of its respective Group to, in connection with any Third-Party Claim, assert as a counterclaim or third-party claim against any member of the SpinCo Group or RemainCo Group, respectively, any claim (whether sounding in contract, tort or otherwise) that arises out of or relates to this Agreement, any breach or alleged breach hereof, the transactions contemplated hereby (including all actions taken in furtherance of the

transactions contemplated hereby on or prior to the date hereof), or the construction, interpretation, enforceability or validity hereof, which in each such case shall be asserted only as contemplated by Article VI.

7.13 **Severability**. If any indemnification provided for in this Article VII is determined by a Texas federal or state court to be invalid, void or unenforceable, the liability shall be apportioned between the Indemnitee and the Indemnifying Party as determined in a separate proceeding in accordance with Article VI.

7.14 **Ancillary Agreements**. Notwithstanding anything in this Agreement to the contrary, to the extent the Omnibus Agreement or any Ancillary Agreement contains any indemnification obligation or contribution obligation relating to any SpinCo Liability, Controlled Liability, SpinCo Asset or Controlled Asset contributed, assumed, retained, transferred, delivered, conveyed or governed pursuant to the Omnibus Agreement or such Ancillary Agreement or any Loss under the Omnibus Agreement or such Ancillary Agreement, as applicable, the indemnification obligations and contribution obligations contained herein shall not apply to such SpinCo Liability, Controlled Liability, SpinCo Asset or Controlled Asset or to such Loss and instead the indemnification obligations and/or contribution obligations set forth in the Omnibus Agreement or such Ancillary Agreement, as applicable, shall govern with regard to such SpinCo Liability, Controlled Liability, SpinCo Asset or Controlled Asset or such Loss.

7.15 **Cooperation in Defense and Settlement.**

(a) With respect to any Third-Party Claim that implicates both parties in a material fashion due to the allocation of Liabilities, responsibilities for management of defense and related indemnities pursuant to this Agreement or any of the Ancillary Agreements, the parties agree to use commercially reasonable efforts to cooperate fully and maintain a joint defense (in a manner that will preserve for the parties the attorney-client privilege, joint defense or other privilege with respect thereto).

(b) To the extent there are documents, other materials, access to employees or witnesses related to or from a Party that is not responsible for the defense or Liability of a particular Action, such Party shall provide to the other Party reasonable access to documents, other materials, employees, and shall permit employees, officers and directors to cooperate as witnesses in the defense of such Action.

(c) Each of EESLP and Controlled agrees that at all times from and after the Effective Time, if an Action currently exists or is commenced by a Third Party with respect to which a party (or one of its Subsidiaries) is a named defendant, but the defense of such Action and any recovery in such Action is otherwise not a Liability allocated under this Agreement or any Ancillary Agreement to that party, then the other party shall use commercially reasonable efforts to

cause the named but not liable defendant to be removed from such Action and such defendants shall not be required to make any payments or contributions therewith.

(d) In the case of any Action involving a matter contemplated by Section 7.15(c), (i) if there is a conflict of interest that under applicable rules of professional conduct would preclude legal counsel for one party or one of its Subsidiaries representing another party or one of its

Subsidiaries or (ii) if any Third-Party Claim seeks equitable relief that would restrict or limit the future conduct of the non-responsible party or one of its Subsidiaries or such party's business or operations of a party or its Subsidiaries, then the non-responsible party shall be entitled to retain, at its expense, separate legal counsel to represent its interest and to participate in the defense, compromise, or settlement of that portion of the Third-Party Claim against that party or one of its Subsidiaries.

7.16 **Insurance Matters.**

(a) The Parties intend by this Agreement that, to the extent permitted under the terms of any applicable Insurance Policy or D&O Policy, SpinCo, each other member of the SpinCo Group and each of their respective directors, officers and employees will be successors in interest and/or additional insureds and will have and be fully entitled to continue to exercise all rights that any of them may have as of the Effective Time (with respect to events occurring or claimed to have occurred before the Effective Time) as a Subsidiary, Affiliate, division, director, officer or employee of RemainCo before the Effective Time under any Insurance Policy or D&O Policy, including any rights that SpinCo, any other member of the SpinCo Group or any of its or their respective directors, officers, or employees may have as an insured or additional named insured, Subsidiary, Affiliate, division, director, officer or employee to avail itself, himself or herself of any policy of insurance or any agreements related to the policies in effect before the Effective Time, with respect to events occurring before the Effective Time.

(b) After the Effective Time, RemainCo (and each other member of the RemainCo Group) and SpinCo (and each other member of the SpinCo Group) shall not, without the consent of SpinCo or RemainCo, respectively (such consent not to be unreasonably withheld, conditioned or delayed), provide any insurance carrier with a release or amend, modify or waive any rights under any Insurance Policy or D&O Policy if such release, amendment, modification or waiver thereunder would materially adversely affect any rights of any member of the Group of the other Party with respect to insurance coverage otherwise afforded to such other Party for pre-External Distribution claims; *provided*, *however*, that the foregoing shall not (i) preclude any member of any Group from presenting any claim or from exhausting any policy limit, (ii) require any member of any Group to pay any premium or other amount or to incur any Liability or (iii) require any member of any Group to renew, extend or continue any policy in force.

(c) The provisions of this Agreement are not intended to relieve any insurer of any Liability under any policy.

(d) No member of the RemainCo Group or any RemainCo Indemnitee will have any Liabilities whatsoever as a result of the Insurance Policies or D&O Policies as in effect at any time before the Effective Time, including as a result of (i) the level or scope of any insurance, (ii) the creditworthiness of any insurance carrier, (iii) the terms and conditions of any policy, or (iv) the adequacy or timeliness of any notice to any insurance carrier with respect to any claim or potential claim.

(e) Except to the extent otherwise provided in Section 7.16(b), in no event will RemainCo, any other member of the RemainCo Group or any RemainCo Indemnitee have any Liability or obligation whatsoever to any member of the SpinCo Group if any Insurance Policy

or D&O Policy is terminated or otherwise ceases to be in effect for any reason, is unavailable or inadequate to cover any Liability of any member of the SpinCo Group for any reason whatsoever or is not renewed or extended beyond the current expiration date.

(f) This Agreement is not intended as an attempted assignment of any policy of insurance or as a contract of insurance and will not be construed to waive any right or remedy of any members of the RemainCo Group in respect of any insurance policy or any other contract or policy of insurance.

(g) Nothing in this Agreement will be deemed to restrict any member of the SpinCo Group from acquiring at its own expense any other insurance policy in respect of any Liabilities or covering any period.

(h) To the extent that any Insurance Policy or D&O Policy provided for the reinstatement of policy limits, and both RemainCo and SpinCo desire to reinstate such limits, the cost of reinstatement will be shared by RemainCo and SpinCo as the Parties may agree. If either Party, in its sole discretion, determines that such reinstatement would not be beneficial, that Party shall not contribute to the cost of reinstatement and will not make any claim thereunder nor otherwise seek to benefit from the reinstated policy limits.

(i) For purposes of this Agreement, "***Covered Matter***" shall mean any matter, whether arising before or after the Effective Time, with respect to which any SpinCo Indemnitee may seek to exercise any right under any Insurance Policy or D&O Policy pursuant to this Section 7.16. If SpinCo receives notice or otherwise learns of any Covered Matter, SpinCo shall promptly give RemainCo written notice thereof. Any such notice shall describe the Covered Matter in reasonable detail. With respect to each Covered Matter and any Joint Claim, RemainCo shall have sole responsibility for reporting the claim to the insurance carrier and will provide a copy of such report to SpinCo. If RemainCo or another member of the RemainCo Group fails to notify SpinCo within fifteen (15) days that it has submitted an insurance claim with respect to a Covered Matter or Joint Claim, SpinCo shall be permitted to submit (on behalf of the applicable SpinCo Indemnitee) such insurance claim.

(j) Each of SpinCo and RemainCo will share such information as is reasonably necessary in order to permit the other Party to manage and conduct its insurance matters in an orderly fashion and provide the other Party with any assistance that is reasonably necessary or beneficial in connection such Party's insurance matters.

ARTICLE VIII.
EXCHANGE OF INFORMATION; CONFIDENTIALITY

8.1 **Agreement for Exchange of Information**. Except as otherwise provided in any Ancillary Agreement, each of RemainCo and SpinCo, on behalf of itself and the members of its respective Group, shall use commercially reasonable efforts to provide or make available, or cause to be provided or made

available, to the other party, at any time before or after the Effective Time, as soon as reasonably practicable after written request therefor, any Information (or a copy thereof) in the possession or under the control of either party or any of its Subsidiaries to the extent that: (i) such Information relates to the SpinCo Business or any SpinCo Asset or

SpinCo Liability, if SpinCo is the requesting party, or to the RemainCo Business or any Controlled Asset or Controlled Liability, if RemainCo is the requesting party; (ii) such Information is required by the requesting party to comply with its obligations under this Agreement or any Ancillary Agreement; or (iii) such Information is required by the requesting party to comply with any obligation imposed by any Governmental Authority; *provided*, *however*, that, in the event that the party to whom the request has been made determines that any such provision of Information could be commercially detrimental, violate any Law or agreement or waive any attorney-client privilege, then the parties shall use commercially reasonable efforts to permit compliance with such obligations to the extent and in a manner that avoids any such harm or consequence. The party providing Information pursuant to this Section 8.1 shall only be obligated to provide such Information in the form, condition and format in which it then exists and in no event shall such party be required to perform any improvement, modification, conversion, updating or reformatting of any such Information, and nothing in this Section 8.1 shall expand the obligations of the parties under Section 8.4.

8.2 **Ownership of Information**. Any Information owned by one Group that is provided to a requesting party pursuant to Section 8.1 or 8.7 shall remain the property of the providing party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such Information.

8.3 **Compensation for Providing Information**. The party requesting Information agrees to reimburse the other party for the reasonable out-of-pocket costs, if any, of creating, gathering and copying such Information or otherwise complying with the request with respect to such Information.

8.4 **Record Retention**.

(a) The parties agree and acknowledge that it is not practicable to separate all Tangible Information belonging to the parties, and that following the Effective Time, each party will have some of the Tangible Information of the other party stored at its facilities or at Third Party records storage locations arranged for by such party (each, a "***Records Facility***"); *provided* that the cost of any Third Party Records Facility where Tangible Information belonging to both members of the SpinCo Group and members of the RemainCo Group is stored shall be split equally between the SpinCo Group and the RemainCo Group.

(b) Each party shall use the same degree of care (but no less than a reasonable degree of care) as it takes to preserve confidentiality for its own similar Information: (i) to maintain the Stored Records as to which it is the Custodial Party in accordance with its regular records retention policies and procedures and the terms of this Section 8.4; and (ii) to comply with the requirements of any "litigation hold" that relates to Stored Records as to which it is the Custodial Party that relates to (x) any Action that is pending as of the Effective Time or (y) any Action that arises or becomes threatened or reasonably anticipated after the Effective Time as to which the Custodial Party has received a written notice of the applicable "litigation hold" from the Non-Custodial Party.

8.5 **Limitations of Liability.** No party shall have any liability to any other party in the event that any Information exchanged or provided pursuant to this Agreement is found to be

inaccurate in the absence of willful misconduct by the party providing such Information. No party shall have any liability to any other party if any Information is destroyed after commercially reasonable efforts by such party to comply with the provisions of Section 8.4.

8.6 **Other Agreements Providing for Exchange of Information**.

(a) The rights and obligations granted under this Article VIII are subject to any specific limitations, qualifications or additional provisions on the sharing, exchange, retention or confidential treatment of Information set forth herein or any Ancillary Agreement.

(b) Either party that receives, pursuant to a request for Information in accordance with this Article VIII, Tangible Information that is not relevant to its request shall (i) return it to the providing party or, at the providing party's request, destroy such Tangible Information and (ii) deliver to the providing party a certificate certifying that such Tangible Information was returned or destroyed, as the case may be, which certificate shall be signed by an authorized Representative of the requesting party.

(c) When any Tangible Information provided by one party to the other party (other than Tangible Information provided pursuant to Section 8.4) is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement or is no longer required to be retained by applicable Law, the receiving party shall promptly, after request of the other party, either return to the other party all Tangible Information in the form in which it was originally provided (including all copies thereof and all notes, extracts or summaries based thereon) or, if the providing party has requested that the other party destroy such Tangible Information, certify to the other party that it has destroyed such Tangible Information (and such copies thereof and such notes, extracts or summaries based thereon); *provided*, that this obligation to return or destroy such Tangible Information shall not apply to any Tangible Information solely related to the receiving party's business, Assets, Liabilities, operations or activities.

8.7 **Auditors and Audits; Annual and Quarterly Financial Statements and Accounting**.

(a) Each party agrees that during the period ending 240 days following the Effective Time (and with the consent of the other party, which consent shall not be unreasonably withheld or delayed, during any period of time after such 240-day period reasonably requested by such requesting party, so long as there is a reasonable business purpose for such request) and in any event solely with respect to the preparation and audit of each of the party's financial statements for any of the fiscal years 2014 and 2015, the printing, filing and public dissemination of such financial statements, the audit of each party's internal control over financial reporting and such party's management's assessment thereof, and each party's management's assessment of such party's disclosure controls and procedures:

(i) Each party shall provide or provide access to the other party on a timely basis, all information reasonably required to meet its schedule for the preparation, printing, filing, and public dissemination of its annual financial statements and for management's assessment of the effectiveness of its disclosure controls and procedures and its internal control over financial reporting in accordance with Items 307 and 308,

respectively, of Regulation S-K promulgated by the SEC and, to the extent applicable to such party, its auditor's audit of its internal control over financial reporting and management's assessment thereof in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 and the SEC's and Public Company Accounting Oversight Board's rules and auditing standards thereunder (such assessments and audit being referred to as the "***Internal Control Audit and Management Assessments***"). Without limiting the generality of the foregoing, each party will provide all required financial and other information with respect to itself and its Subsidiaries to its auditors in a sufficient and reasonable time and in sufficient detail to permit its auditors to take all steps and perform all reviews necessary to provide sufficient assistance to each Other Party's Auditor with respect to information to be included or contained in such other party's annual financial statements and to permit such Other Party's Auditor and management to complete the Internal Control Audit and Management Assessments;

(ii) Each audited party shall authorize, and use its commercially reasonable efforts to cause, its respective auditors to make available to each other party's auditor (each such other Party's auditors, the "***Other Party's Auditor***") both the personnel who performed or are performing the annual audits of such audited party (such party with respect to its own audit, the "***Audited Party***") and work papers related to the annual audits of such Audited Party, in all cases within a reasonable time prior to such Audited Party's auditors' opinion date, so that the Other Party's Auditor is able to perform the procedures it considers necessary to take responsibility for the work of the Audited Party's auditor as it relates to its auditor's report on such other party's financial statements, all within sufficient time to enable such other party to meet its timetable for the printing, filing and public dissemination of its annual financial statements. Each party shall make available to the Other Party's Auditor and management its personnel and Records in a reasonable time prior to the Other Party's Auditor's opinion date and other party's management's assessment date so that the Other Party's Auditor and other party's management are able to perform the procedures they consider necessary to conduct the Internal Control Audit and Management Assessments.

(b) In the event a party restates any of its financial statements that includes such party's audited or unaudited financial statements with respect to any balance sheet date or period of operation as of the end of and for the fiscal years 2014 and 2015, such party will deliver to the other party a substantially final draft, as soon as the same is prepared, of any report to be filed by such first party with the SEC that includes such restated audited or unaudited financial statements (the "***Amended Financial Report***"); *provided*, *however*, that such first party may continue to revise its Amended Financial Report prior to its filing thereof with the SEC, which changes will be delivered to the other party as soon as reasonably practicable; provided, further, however, that such first Party's financial personnel will actively consult with the other party's financial personnel regarding any changes which such first party may consider making to its Amended Financial Report and related disclosures prior to the anticipated filing of such report with the SEC, with particular focus on any changes which would have an effect upon the other party's financial statements or related disclosures. Each party will reasonably cooperate with, and permit and make any necessary employees available to, the other party, in connection with the other party's preparation of any Amended Financial Reports.

(c) If either party or member of its respective Group is required, pursuant to Rule 3-09 of Regulation S-X promulgated by the SEC or otherwise, to include in its Exchange Act filings audited financial statements or other information of the other Party or member of the other party's Group, the other party shall use its commercially reasonable efforts (i) to provide such audited financial statements or other information, and (ii) to cause its outside auditors to consent to the inclusion of such audited financial statements or other information in the party's Exchange Act filings.

(d) Nothing in this Section 8.7 shall require any Party to violate any agreement with any third party regarding the confidentiality of confidential and proprietary information relating to that third party or its business; *provided*, *however*, that in the event that a Party is required under this Section 8.7 to disclose any such information, such Party shall use commercially reasonable efforts to seek to obtain such third party's consent to the disclosure of such information.

8.8 **Cooperation**. Without limiting any other provision of this Agreement, the parties agree to consult and cooperate to the extent reasonably necessary with respect to any Actions, and, upon reasonable written request of the other party, shall use reasonable efforts to make available to such other party the former, current and future directors, officers, employees, other personnel and agents of the members of its respective Group (whether as witnesses or otherwise). The requesting party shall bear all costs and expenses in connection therewith. Notwithstanding the foregoing, this Section 8.8 shall not require a party to take any step that would significantly interfere, or that such party reasonably determines could significantly interfere, with its business.

8.9 **Privileged Matters**.

(a) The parties recognize that legal and other professional services that have been and shall be provided prior to the Effective Time have been and shall be rendered for the collective benefit of the parties and their respective Subsidiaries, and that each party and its respective Subsidiaries should be deemed to be the client with respect to such services for the purposes of asserting all privileges and immunities that may be asserted under applicable Law in connection therewith.

(b) The parties agree as follows: (i) RemainCo shall be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to the RemainCo Business, whether or not the Privileged Information is in the possession or under the control of a member of the RemainCo Group or the SpinCo Group; RemainCo shall also be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to any Controlled Liabilities resulting from any Actions that are now pending or may be asserted in the future, whether or not the Privileged Information is in the possession or under the control of a member of the RemainCo Group or the SpinCo Group; and (ii) SpinCo shall be entitled, in perpetuity, to control the assertion or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to the SpinCo Business, whether or not the Privileged Information is in the possession or under the control of a member of the RemainCo Group or the SpinCo Group; SpinCo shall also be entitled, in perpetuity, to control the assertion

or waiver of all privileges and immunities in connection with any Privileged Information that relates solely to any SpinCo Liabilities resulting from any Actions that are now pending or may be asserted in the future, whether or not the Privileged Information is in the possession or under the control of a member of the RemainCo Group or the SpinCo Group.

(c) Subject to Sections 8.9(d) and 8.9(e), the parties agree that they shall have a shared privilege or immunity with respect to all privileges not allocated pursuant to Section 8.9(b) and all privileges and immunities relating to any Actions or other matters that involve both parties (or one or more of their

respective Subsidiaries) and in respect of which both parties have Liabilities under this Agreement, and that no such shared privilege or immunity may be waived by either party without the consent of the other party.

(d) If any dispute arises between RemainCo and SpinCo, or any of their respective Subsidiaries, regarding whether a privilege or immunity should be waived to protect or advance the interests of either party and/or their respective Subsidiaries, each party agrees that it shall: (i) negotiate with the other party in good faith, (ii) endeavor to minimize any prejudice to the rights of the other party and (iii) not unreasonably withhold consent to any request for waiver by the other party. Further, each party specifically agrees that it shall not withhold its consent to the waiver of a privilege or immunity for any purpose except to protect its own legitimate interests.

(e) Upon receipt by any member of the SpinCo Group of any subpoena, discovery or other request that may reasonably be expected to result in the production or disclosure of Information subject to a shared privilege or immunity or as to which RemainCo or any of the RemainCo Subsidiaries has the sole right hereunder to assert a privilege or immunity, or if SpinCo obtains knowledge that any of its, or a SpinCo Subsidiary's, current or former directors, officers, agents or employees have received any subpoena, discovery or other requests that may reasonably be expected to result in the production or disclosure of such Privileged Information, SpinCo shall promptly provide written notice to RemainCo of the existence of the request (which notice shall be delivered to RemainCo no later than five (5) Business Days following the receipt of any such subpoena, discovery or other request) and shall provide RemainCo a reasonable opportunity to review the Information and to assert any rights it or they may have, including under this Section 8.8 or otherwise, to prevent the production or disclosure of such Privileged Information.

(f) Upon receipt by any of the RemainCo Entities of any subpoena, discovery or other request that may reasonably be expected to result in the production or disclosure of Information subject to a shared privilege or immunity or as to which SpinCo or any of the SpinCo Subsidiaries has the sole right hereunder to assert a privilege or immunity, or if RemainCo obtains knowledge that any of its, or a RemainCo Subsidiary's, current or former directors, officers, agents or employees have received any subpoena, discovery or other requests that may reasonably be expected to result in the production or disclosure of such Privileged Information, RemainCo shall promptly provide written notice to SpinCo of the existence of the request (which notice shall be delivered to SpinCo no later than five (5) Business Days following the receipt of any such subpoena, discovery or other request) and shall provide SpinCo a reasonable opportunity to review the Information and to assert any rights it or they may have, including under this Section 8.9 or otherwise, to prevent the production or disclosure of such Privileged Information.

(g) Any furnishing of, or access to, Information pursuant to this Agreement and the transfer of the Asset and retention of the SpinCo Assets by EESLP are made and done in reliance on the agreement of the parties set forth in this Section 8.9 and in Section 8.10 to maintain the confidentiality of Privileged Information and to assert and maintain all applicable privileges and immunities. The parties further agree that: (i) the exchange or retention by one party to the other party of any Privileged Information that should not have been transferred or retained, as the case may be, pursuant to the terms of this Article VIII shall not be deemed to constitute a waiver of any privilege or immunity that has been or may be asserted under this Agreement or otherwise with respect to such Privileged Information; and (ii) the party receiving or retaining such Privileged Information shall promptly return or transfer, as the case may be, such Privileged Information to the party who has the right to assert the privilege or immunity.

(h) In furtherance of, and without limitation to, the parties' agreement under this Section 8.9, RemainCo and SpinCo shall, and shall cause their applicable Subsidiaries to, use reasonable efforts to maintain their respective separate and joint privileges and immunities, including by executing joint defense and/or common interest agreements where necessary or useful for this purpose.

8.10 **Confidentiality**.

(a) *Confidentiality*. From and after the Effective Time, subject to Section 8.11 and except as contemplated by or otherwise provided in this Agreement or any Ancillary Agreement, RemainCo, on behalf of itself and each of the RemainCo Subsidiaries, and SpinCo, on behalf of itself and each of the SpinCo Subsidiaries, agrees to hold, and to cause its respective Representatives to hold, in strict confidence, with at least the same degree of care that applies to RemainCo's confidential and proprietary information pursuant to policies in effect as of the Effective Time, all confidential and proprietary Information concerning the other party (or its business) and the other party's Subsidiaries (or their respective businesses) that is either in its possession (including confidential and proprietary Information in its possession prior to the Effective Time) or furnished by the other party or the other party's Subsidiaries or their respective Representatives at any time pursuant to this Agreement or any Ancillary Agreement, and shall not use any such confidential and proprietary Information other than for such purposes as may be expressly permitted hereunder or thereunder, except, in each case, to the extent that such confidential and proprietary Information has been: (i) in the public domain or generally available to the public, other than as a result of a disclosure by such party or any of its Subsidiaries or any of their respective Representatives in violation of this Agreement, (ii) later lawfully acquired from other sources by such party or any of its Subsidiaries, which sources are not themselves bound by a confidentiality obligation or other contractual, legal or fiduciary obligation of confidentiality with respect to such confidential and proprietary Information or (iii) independently developed or generated without reference to or use of the respective proprietary or confidential Information of the other party or any of its Subsidiaries. If any confidential and proprietary Information of one party or any of its Subsidiaries is disclosed to another party or any of its Subsidiaries in connection with providing services to such first party or any of its Subsidiaries under this Agreement or any Ancillary Agreement, then such disclosed confidential and proprietary Information shall be used only as required to perform such services.

(b) *No Release; Return or Destruction*. Each party agrees not to release or disclose, or permit to be released or disclosed, any confidential or proprietary Information of the other party addressed in Section 8.10(a) to any other Person, except its Representatives who need to know such Information in their capacities as such, and except in compliance with Section 8.11. Without limiting the foregoing, when any Information furnished by the other party after the Effective Time pursuant to this Agreement or any Ancillary Agreement is no longer needed for the purposes contemplated by this Agreement or any Ancillary Agreement, each party shall, at its option, promptly after receiving a written notice from the disclosing party, either return to the disclosing party all such Information in a tangible form (including all copies thereof and all notes, extracts or summaries based thereon) or certify to the disclosing party that it has destroyed such Information (and such copies thereof and such notes, extracts or summaries based thereon); *provided*, *however*, that a party shall not be required to destroy or return any such Information to the extent that (i) the party is required to retain the Information in order to comply with any applicable Law, (ii) the Information has been backed up electronically pursuant to the party's standard document retention policies and will be managed and ultimately destroyed consistent with such policies or (iii) it is kept in the party's legal files for purposes of resolving any dispute that may arise under this Agreement or any Ancillary Agreement.

(c) *Third-Party Information; Privacy or Data Protection Laws*. Each party acknowledges that it and its respective Subsidiaries may presently have and, following the Effective Time, may gain access to or possession of confidential or proprietary Information of, or personal Information relating to, Third Parties: (i) that was received under confidentiality or non-disclosure agreements entered into between such Third Parties, on the one hand, and the other party or the other party's Subsidiaries, on the other hand, prior to the Effective Time or (ii) that, as between the two parties, was originally collected by the other party or the other party's Subsidiaries and that may be subject to and protected by privacy, data protection or other applicable Laws. As may be provided in more detail in an applicable Ancillary Agreement, each party agrees that it shall hold, protect and use, and shall cause its Subsidiaries and its and their respective Representatives to hold, protect and use, in strict confidence the confidential and proprietary Information of, or personal Information relating to, Third Parties in accordance with privacy, data protection or other applicable Laws and the terms of any agreements that were either entered into before the Effective Time or affirmative commitments or representations that were made before the Effective Time by, between or among the other party or the other party's Subsidiaries, on the one hand, and such Third Parties, on the other hand.

(d) *Trade Secrets*. Neither party shall disclose any of its trade secrets or the trade secrets of its Subsidiaries to the other party or the other party's Subsidiaries unless reasonably required for the provision of any services under this Agreement or any Ancillary Agreement and the other party or the applicable Subsidiary of the other party has agreed to specific terms and conditions related to such disclosure. Neither party nor their Subsidiaries shall be liable for failure to provide any services under this Agreement or any Ancillary Agreement as a result of the non-disclosure of trade secrets.

8.11 **Protective Arrangements**. In the event that either party or any of its Subsidiaries is requested or required (by oral question, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) by any Governmental Authority or pursuant to applicable Law or the rules of any stock exchange on which the shares of the party or

any member of its Group are traded to disclose or provide any confidential or proprietary Information of the other party (other than with respect to any such Information furnished pursuant to the provisions of Sections 8.1 and 8.7, as applicable), that is subject to the confidentiality provisions hereof, such party shall provide the other party with written notice of such request or demand as promptly as practicable under the circumstances so that such other party shall have an opportunity to seek an appropriate protective order, at such other party's own cost and expense. In the event that such other party fails to receive such appropriate protective order in a timely manner and the party receiving the request or demand reasonably determines that its failure to disclose or provide such Information shall actually prejudice the party receiving the request or demand, then the party that received such request or demand may thereafter disclose or provide Information to the extent required by such Law (as so advised by counsel) or by lawful process or such Governmental Authority.

ARTICLE IX.
FURTHER ASSURANCES AND ADDITIONAL COVENANTS

9.1 **Further Assurances**.

(a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties hereto shall use its commercially reasonable efforts, prior to, on and after the Effective Time, to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary, proper or advisable on its part under applicable Laws, regulations and agreements, to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, prior to, on and after the Effective Time, each party hereto shall cooperate with each other party hereto, and without any further consideration, but at the expense of the requesting party, to execute and deliver, or use its commercially reasonable efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain or make any Approvals or Notifications of, any Governmental Authority or any other Person under any permit, license, agreement, indenture or other instrument (including any Third-Party consents or Governmental Approvals), and to take all such other actions as such party may reasonably be requested to take by any other party hereto from time to time, consistent with the terms of this Agreement and the Ancillary Agreements, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the transfers of the SpinCo Assets and the assignment and assumption of the SpinCo Liabilities and the other transactions contemplated hereby and thereby. Without limiting the foregoing, each party shall, at the reasonable request, cost and expense of any other party, take such other actions as may be reasonably necessary to vest in such other party all of the transferring party's right, title and interest to the Assets allocated to such party by this Agreement or any Ancillary Agreement, in each case, if and to the extent it is practicable to do so.

(c) On or prior to the Effective Time, RemainCo and SpinCo in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, shall each ratify any actions that are reasonably necessary or desirable to be taken by any Subsidiary of

RemainCo or Subsidiary of SpinCo, as the case may be, to effectuate the transactions contemplated by this Agreement and the Ancillary Agreements.

9.2 **Performance**. RemainCo shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement or in any Ancillary Agreement to be performed by any member of the RemainCo Group. SpinCo shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement or in any Ancillary Agreement to be performed by any member of the SpinCo Group. Each party (including its permitted successors and assigns) further agrees that it shall (a) give timely notice of the terms, conditions and continuing obligations contained in this Section 9.2 to all of the other members of its Group, and (b) cause all of the other members of its Group not to take, or omit to take, any action which action or omission would violate or cause such party to violate this Agreement or any Ancillary Agreement or materially impair such Party's ability to consummate the transactions contemplated hereby or thereby.

9.3 **Certain Non-Competition Provisions**.

(a) As an essential consideration for the obligations of the other Parties under this Agreement, including obligations in connection with the transactions contemplated in the Restructuring Steps Memorandum, and in contemplation of the consummation of the Internal Distribution and the External Distribution, each of RemainCo and SpinCo hereby agrees that, from the date hereof until the third anniversary of the Distribution Date (the "***Non-Compete Period***"), such party shall not, and it shall cause each other member of its respective Group not to, engage in any Prohibited Business. "***Prohibited Business***" means (i) with respect to any member of the RemainCo Group, the "contract operations" business conducted outside of the United States, the "aftermarket services" business conducted outside of the United States and the "product sales" business conducted inside or outside of the United States (as such terms are

described in the Information Statement) and (ii) with respect to any member of the SpinCo Group, (A) the use of natural gas compression equipment and crude oil and natural gas production and processing equipment to provide operations services to customers in the United States and (B) the sale of parts and components, and the provision of operations, maintenance, overhaul and reconfiguration services, to customers with respect to compression, production, processing, treating and other equipment located in the United States; *provided, however*, that for purposes of determining whether a party may be deemed to have engaged in a Prohibited Business as a result of the sale of parts, the ultimate destination of such parts, to the parties' knowledge after normal course inquiry, shall prevail in determining whether such business was conducted within or outside of the United States; *provided, further*, that nothing in this Section 9.3(a) shall prohibit (q) either SpinCo or RemainCo from selling as scrap any inventory held by such Party, (r) SpinCo from selling any parts purchased from RemainCo, (s) SpinCo from selling any engines, compressors, coolers or control panels owned as of the Effective Time, (t) SpinCo from providing services to customers in the United States relating to the processing and treating of water, (u) SpinCo from providing make-ready services or installation, commissioning or warranty services in connection with the permitted provision of aftermarket services in the United States pursuant to clause (x)(1) below, (v) SpinCo from providing installation, start-up, commission and warranty services on the products manufactured or sold by SpinCo, (w) RemainCo from manufacturing, holding or selling generator sets, (x) (1) SpinCo from providing aftermarket

services on production equipment or equipment of the type manufactured or sold by Belleli Energy B.V. or its Subsidiaries or (2) RemainCo from providing aftermarket services on production equipment owned by RemainCo or located on a site where RemainCo provides compression services that are not otherwise prohibited by the terms of this Section 9.3(a), (y) RemainCo or SpinCo, as the case may be, from selling used equipment (including any overhauls to such used equipment) to Affiliates or third parties, whether located within or outside of the United States, or (z) RemainCo or SpinCo, as the case may be, from engaging in a merger, acquisition, consolidation or other business combination with another Person (the "***Transaction Counterparty***") that results in RemainCo or SpinCo, as the case may be, engaging (through the entity surviving a merger or one or more subsidiaries thereof) in a Prohibited Business, so long as the Prohibited Business represents less than (1) 20% of the Transaction Counterparty's consolidated Gross Margin as reflected in such Transaction Counterparty's most recent available annual financial statements (which financial statements shall be audited, if available) at the time the definitive agreement for the transaction is signed and (2) 10% of the consolidated Gross Margin of RemainCo, SpinCo or such surviving entity, as the case may be, on a pro forma basis, based on such financial statements and the most recent available annual financial statements (which financial statements shall be audited, if available) of RemainCo, SpinCo or such surviving entity, as the case may be. "***Gross Margin***" means total revenue less cost of sales (excluding depreciation and amortization expense). In furtherance of the foregoing, the Parties agree to retest the requirements set forth in (z)(2) above with respect to the financial statements for the most recent annual period (which financial statements shall be audited, if available) each year during the Non-Compete Period on each anniversary of the date of signing a definitive agreement with respect to the applicable merger, acquisition, consolidation or other business combination. In the event that a merger, acquisition, consolidation or other business combination fails to satisfy (z)(1) or (2) above at the time of such transaction or, with respect to (z)(2), at any time such requirement is retested with respect to such transaction, the parties to such transaction shall have a period of 365 days to cure (by divestiture or otherwise, including, for the avoidance of doubt, in the event that such 365-day cure period extends beyond the expiration of the Non-Compete Period) such failure before the parties are deemed to be in breach of this Section 9.03(a). If the parties to such transaction fail to cure the breach within such 365-day cure period (by divestiture or otherwise, including, for the avoidance of doubt, in the event that such 365-day cure period extends beyond the expiration of the Non-Compete Period), then the Parties agree to cause the entity surviving the merger (or the applicable subsidiary thereof) to divest of the Prohibited Business as soon as reasonably practicable.

(b) It is the intention of each of the Parties that if any of the restrictions or covenants contained in this Section 9.3 is held by a court of competent jurisdiction to cover a geographic area or to be for a length of time that is not permitted by applicable Law, or is in any way construed by a court of competent jurisdiction to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under applicable Law, a court of competent jurisdiction shall construe and interpret or reform this Section 9.3 to provide for a covenant having the maximum enforceable geographic area, time period and other provisions (not greater than those contained in this Section 9.3) as shall be valid and enforceable under such Law. Each of SpinCo and RemainCo acknowledges that any breach of the terms, conditions or covenants set forth in this Section 9.3 shall be competitively unfair and may cause irreparable damage to the other Party because of the special, unique, unusual and extraordinary character of the business of the

RemainCo Group and the SpinCo Group, respectively, and the recovery of damages at Law will not be an adequate remedy. Accordingly, each of the Parties agrees that for any breach of the terms, covenants or agreements of this Section 9.3, a restraining order or an injunction or both may be issued against the breaching Party, in addition to any other rights or remedies a non-breaching Party may have.

9.4 **Non-Solicitation of Employees**. After the Distribution Date until the second anniversary thereof, RemainCo and SpinCo shall not, and shall cause each other member of their respective Group and any employment agencies acting on their respective behalf not to, solicit, recruit or hire, without the express written consent of an authorized representative of the other Group, any Person who is employed by any member of the other Group at the time of such solicitation, recruitment or hiring. Notwithstanding the foregoing, this prohibition on solicitation, recruitment and hiring does not apply to the solicitation, recruitment or hiring of a Person that a Party has demonstrated is primarily as a result of that Person's affirmative response to a general recruitment effort carried out through a public solicitation or general solicitation that does not specifically target any Person who was employed by a member of the other Group after the Distribution Date.

9.5 **Order of Precedence**. Notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, in the case of any conflict between the provisions of this Agreement and any Ancillary Agreement, the provisions of such Ancillary Agreement shall prevail.

9.6 **Warranty of Compressor Units**.

(a) Notwithstanding anything in this Agreement to the contrary, with respect to any compressor units manufactured by a member of the SpinCo Group within one year prior to the Effective Date and owned by a member of the RemainCo Group on the Effective Date, EESLP warrants that such units are free from defects in material and workmanship for a period of twelve (12) months from the date of startup of such units or eighteen (18) months from the date of delivery of such units, whichever period expires first, subject to the following conditions. Except as set forth in Section 9.6(c), EESLP's sole responsibility under this warranty shall be (i) to either repair or replace any units that fail under this warranty and (ii) to re-perform any workmanship relating to such units that fails under this warranty; *provided*, a member of the RemainCo Group has promptly reported same to EESLP in writing. Subject to the limitations set forth in this Agreement, such units or repairs to the units shall be provided at no cost to RemainCo.

(b) The applicable member of the RemainCo Group shall notify EESLP promptly upon such member's identification of a defect covered by the warranty provided in Section 9.6(a). EESLP shall, as promptly as practicable, furnish an on-site representative to diagnose the defect, and EESLP shall resolve the

defect as promptly thereafter as practicable.

(c) Notwithstanding the foregoing, in the event EESLP has not commenced remediation of a defect covered by the warranty provided in this Section 9.6, the applicable member of the RemainCo Group may remedy such defect, in which case EESLP shall reimburse

such member for the actual and documented costs reasonably incurred by such member as follows:

(i) With regard to defects in parts and components manufactured by third parties under warranty, if such member of the RemainCo Group chooses to repair or replace any defective part or component, EESLP shall reimburse such member for the actual and documented costs and expenses for replacement parts or components reasonably incurred by such member in connection with such replacement or repair; *provided*, *however*, that such member shall only be entitled to costs or expenses relating to the replaced part or component and shall not be entitled to any costs or expense for labor, overhead, markup, profit or any other service work performed by such member or its subcontractors.

(ii) With regard to defects in workmanship under warranty, if such member of the RemainCo Group elects to repair any defect in workmanship, EESLP shall reimburse such member for its actual and documented costs reasonably incurred; *provided*, *however*, the reasonable labor charge associated with such repair shall be deemed to be the actual and documented base pay of the person providing such labor plus 20% of such base pay. The base pay charged shall not include any cost for overhead (except for such 20% markup), profit or margin. If at any time, EESLP is on-site, EESLP shall be entitled to take-over from such member any ongoing repair of any defect in workmanship

(d) In all cases, EESLP's reasonable diagnosis of a defect shall be conclusive as to the repairs required under the warranty provided in this Section 9.6.

(e) EESLP, on the one hand, and the members of the RemainCo Group, taken as a whole on the other hand, shall designate an individual to receive warranty-related notices and coordinate warranty coverage determinations, repair or replacement services and payments on such Party's behalf, and each Party shall, from time to time, notify the other Parties in writing of the name and contact information for such individual.

(f) EESLP MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND, WHETHER EXPRESSED, IMPLIED OR STATUTORY, AND DISCLAIMS ANY RESPONSIBILITY FOR ANY COMPONENT PARTS OR ACCESSORIES SOLD HEREUNDER WHICH ARE NOT MANUFACTURED BY A MEMBER OF THE SPINCO GROUP. To the fullest extent permitted by law and by the manufacturers, EESLP extends to the applicable members of the RemainCo Group the manufacturer's warranty given to the applicable members of the SpinCo Group by the manufacturer(s) of said component parts and accessories, but EESLP does not guarantee those warranties. Claims under any manufacturer's warranty shall be made in accordance with the manufacturer's requirements regarding the return, repair, or replacement. EESLP agrees to use all reasonable efforts and to cooperate with each member of the RemainCo Group in processing any such claims.

(g) The warranties contained in Section 9.6(a) do not apply (i) to repairs or replacements required because of accident, misuse, neglect, failure to maintain in accordance with manufacturer specifications, or causes other than ordinary use; (ii) to any portion of the units modified by or on behalf of a member of the RemainCo Group; (iii) to design parameters

and equipment selections mandated by a member of the RemainCo Group or user which are not in accordance with EESLP's standard design and safety practices provided to such member of the RemainCo Group or user in writing; (iv) where manufacturer serial numbers or warranty decals have been removed or altered by or on behalf of a member of the RemainCo Group; (v) where EESLP performed as directed by a member of the RemainCo Group, its agents or representatives and the warranty matter arises as a result of EESLP's compliance with those directions unless such directions are consistent with EESLP's procedures; (vi) where a member of the RemainCo Group fails to follow the recommended operating and maintenance procedures of the original equipment manufacturer; (vii) where a member of the RemainCo Group fails to maintain an industry-standard safety shutdown/alarm system; (viii) to normal wear and tear; (ix) to normal maintenance work or maintenance parts; (x) transportation charges for completed units; (xi) costs of installation or other labor charges relating to warranty of units; (xii) where (A) RemainCo does not conduct start-up procedures with respect to such Goods and (B) EESLP is not invited to participate in start-up procedures after installation of the units; (xiii) to the overall operations of any systems in which the units constitute a component; or (xiv) duty, taxes or any other charges relating to the warranty.

(h) The remedies of each member of the RemainCo Group set forth in this Section 9.6 are exclusive, and the total liability of the SpinCo Group with respect to this Section 9.6 and the units and the related services furnished hereunder, and in connection with the performance or breach thereof, and from the manufacture, sale, delivery, installation, repair, replacement or technical direction or services covered by or furnished under this Section 9.6, whether based on contract, warranty, tort, negligence, indemnity, strict liability, products liability or otherwise, shall not exceed the purchase price of the services or units or, if the units do not have a purchase price, the book value of the units at the time of completion of fabrication, upon which such liability is based.

(i) EXCEPT FOR THE EXPRESS WARRANTIES STATED IN SECTION 9.6(A), THE SPINCO GROUP DISCLAIM ALL WARRANTIES ON THE UNITS AND THE RELATED SERVICES FURNISHED UNDER THIS SECTION 9.6, INCLUDING WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY AGAINST REDHIBITORY DEFECTS OR VICES. REMAINCO, ON BEHALF OF THE REMAINCO ENTITIES, ACKNOWLEDGES AND ACCEPTS THE EXPRESS WARRANTIES AS ITS SOLE REMEDY WITH RESPECT TO THE UNITS AND SERVICES. THE EXPRESS WARRANTIES STATED HEREIN ARE IN LIEU OF ALL OBLIGATIONS OR LIABILITIES ON THE PART OF THE SPINCO GROUP FOR DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE UNITS SOLD AND SERVICES PROVIDED UNDER THIS SECTION 9.6.

9.7 **Contingent Financing Payment**.

(a) Notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, EESLP shall use its commercially reasonable efforts to cause a Qualified Capital Raise to be completed on or before the Term Loan Maturity Date; *provided*, *however*, that if the Qualified Capital Raise does not occur prior to such date, EESLP shall continue to use its

commercially reasonably efforts to complete the Qualified Capital Raise as soon as practicable thereafter. EESLP shall notify Controlled in writing promptly following the consummation of such Qualified Capital Raise.

(b) The payment of the Contingent Financing Payment by EESLP to Controlled shall be made promptly after the consummation of the Qualified Capital Raise by wire transfer of immediately available funds to an account designated in writing by Controlled.

9.8 **Additional Contribution**.

(a) Notwithstanding anything to the contrary in this Agreement or any Ancillary Agreement, the payment of the Additional Contribution by EESLP to Controlled shall occur as follows: at the time that PDVSA pays all or a portion of any quarterly installment or other amount due and owing to a SpinCo Entity pursuant to the terms of the EXV Contract or the JV Contract or otherwise relating to the asset transfers that are the subject of those contracts (each, a "***Receivable Payment***"), EESLP agrees to (i) notify Controlled promptly in writing of the receipt of such Receivable Payment and (ii) pay to Controlled in cash as soon as reasonably practicable the portion of the Additional Contribution equal to such Receivable Payment pursuant to the procedures set forth on Schedule 1.1M; *provided*, that the aggregate amount of all Additional Contributions to Controlled hereunder shall not exceed the lesser of (x)(1) $150.0 million, *less* (2) the aggregate amount of all Receivable Payments received by RemainCo or any of its Subsidiaries after August 31, 2015 and prior to the Distribution Date, *plus* (3) the aggregate amount of all costs and expenses reasonably incurred by RemainCo and its Subsidiaries in connection with the pursuit of any Payment Default after the Distribution Date pursuant to the procedures set forth on Schedule 1.1M and (y) $150.0 million.

(b) In the event that PDVSA fails to pay all or a portion of any quarterly installment amount due and owing to a SpinCo Entity pursuant to the terms of the EXV Contract or the JV Contract or otherwise relating to the asset transfers that are the subject of those contracts and such failure to pay constitutes an Event of Default as defined in the EXV Contract or the JV Contract, as applicable (the "***Payment Default***"), EESLP agrees to (i) notify Controlled promptly in writing of the occurrence and amount of such Payment Default and (ii) use its reasonable best efforts to (or cause the applicable SpinCo Entity to) diligently pursue the collection from PDVSA of any amount in default as soon as reasonably practicable pursuant to the procedures set forth on Schedule 1.1M. If SpinCo or the applicable SpinCo Entity fails to use its reasonable best efforts to diligently pursue the collection of such amount from PDVSA, then Controlled shall have the right to assume exclusively all rights that SpinCo or any of its Subsidiaries have with respect to the pursuit and collection of any amount in default (including, for the avoidance of doubt, the right to control any Action associated with the pursuit or collection of any amount in default) pursuant to the procedures set forth on Schedule 1.1M.

ARTICLE X.
TERMINATION

This Agreement and any Ancillary Agreement may be terminated and the terms and conditions of the Internal Distribution and the External Distribution may be amended, modified or abandoned at any time prior to the Effective Time by and in the sole and absolute discretion of

the RemainCo Board without the approval of any other Person, including SpinCo or the stockholders of RemainCo. In the event that this Agreement is terminated, this Agreement shall become null and void and no party, nor any party's directors, officers or employees, shall have any liability of any kind to any Person by reason of this Agreement. After the External Distribution, this Agreement may not be terminated except by an agreement in writing signed by RemainCo and SpinCo; provided, notwithstanding the foregoing, Article VIII shall not be terminated or amended after the Effective Time in a manner adverse to any third-party beneficiary thereof without the consent of such Person.

ARTICLE XI.
MISCELLANEOUS

11.1 **Counterparts; Entire Agreement; Corporate Power**.

(a) This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each party and delivered to each other party.

(b) This Agreement, and the exhibits, annexes and schedules hereto, contain the entire agreement between the parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the parties with respect to such subject matter other than those set forth or referred to herein or therein.

(c) RemainCo represents on behalf of itself and each other member of the RemainCo Group, and SpinCo represents on behalf of itself and each other member of the SpinCo Group, as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby; and

(ii) this Agreement has been duly executed and delivered by it and constitutes a valid and binding agreement of it enforceable in accordance with the terms hereof.

(d) Each party hereto acknowledges that it and each other party hereto may execute this Agreement by facsimile, stamp or mechanical signature. Each party hereto expressly adopts and confirms each such facsimile, stamp or mechanical signature made in its respective name as if it were a manual signature, agrees that it shall not assert that any such signature is not adequate to bind such party to the same extent as if it were signed manually and agrees that at the reasonable request of any other party hereto at any time it shall as promptly as reasonably practicable cause this Agreement to be manually executed (any such execution to be as of the date of the initial date thereof).

11.2 **Governing Law**. This Agreement (and any claims or disputes arising out of or related hereto or to the transactions contemplated hereby or to the inducement of any party to enter herein, whether for breach of contract, tortious conduct or otherwise and whether

predicated on common law, statute or otherwise) shall be governed by and construed and interpreted in accordance with the Laws of the State of Texas, irrespective of the choice of laws principles of the State of Texas, including all matters of validity, construction, effect, enforceability, performance and remedies.

11.3 **Assignability**. This Agreement shall be binding upon and inure to the benefit of the parties hereto and thereto, respectively, and their respective successors and permitted assigns; provided, however, that no party hereto or thereto may assign its respective rights or delegate its respective obligations under this Agreement without the express prior written consent of the other parties hereto or thereto.

11.4 **Third-Party Beneficiaries**. Except for the release and indemnification rights under this Agreement of any RemainCo Indemnitee or SpinCo Indemnitee in their respective capacities as such, (a) the provisions of this Agreement are solely for the benefit of the parties and are not intended to confer upon any Person (including, without limitation, any stockholders of RemainCo or stockholders of SpinCo) except the parties hereto any rights or remedies hereunder; and (b) there are no third-party beneficiaries of this Agreement, and this Agreement shall not provide any third Person (including, without limitation, any stockholders of RemainCo or stockholders of SpinCo) with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

11.5 **Notices**. All notices, requests, claims, demands or other communications under this Agreement shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, by facsimile or electronic transmission with receipt confirmed (followed by delivery of an original via overnight courier service), or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.5):

If to RemainCo, to:

Archrock, Inc.
16666 Northchase Dr.
Houston, Texas 77060
Attention: General Counsel
Fax: (281) 836-8060

If to SpinCo, to:

Exterran Corporation
4444 Brittmoore Rd
Houston, Texas 77041
Attention: General Counsel
Fax: (281) 836-7953

Any party may, by notice to the other party, change the address and contact person to which any such notices are to be given.

11.6 **Severability**. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or thereof, or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the parties.

11.7 **Force Majeure**. Neither party shall be deemed in default of this Agreement for failure to fulfill any obligation, other than a delay or failure to make a payment, so long as and to the extent to which any delay or failure in the fulfillment of such obligations is prevented, frustrated, hindered or delayed as a consequence of circumstances of Force Majeure. In the event of any such excused delay, the time for performance shall be extended for a period equal to the time lost by reason of the delay. A party claiming the benefit of this provision shall, as soon as reasonably practicable after the occurrence of any such event, (a) provide written notice to the other party of the nature and extent of any such Force Majeure condition; and (b) use commercially reasonable efforts to remove any such causes and resume performance under this Agreement as soon as reasonably practicable.

11.8 **Publicity**. From and after the Effective Time for a period of 180 days, SpinCo and RemainCo shall consult with each other before issuing, and give each other the opportunity to review and comment upon, any press release or other public statements with respect to the transactions contemplated by this Agreement and the Ancillary Agreements, and shall not issue any such press release or make any public statement prior to such consultation, except as may be required by applicable Law, court process or by obligations pursuant to any listing agreement with any national securities exchange or national securities quotation system.

11.9 **Expenses**.

(a) (i) Except as otherwise expressly provided (x) in this Agreement (including Article II, Article IV, Section 5.1, Section 8.4 and paragraphs (a)(ii), (b) and (c) of this Section 11.9) or (y) in any Ancillary Agreement, the Parties agree that all out-of-pocket costs, fees and expenses (including the costs to obtain any consents) incurred and directly related to the transactions contemplated hereby, including any Liability incurred following the Internal Distribution and the External Distribution as a result of the consummation of the Internal Distribution and the External Distribution, shall be borne and paid by the Person to which such cost or Liability primarily relates as further described in Article II, and (ii) as further described in Article II, the costs and expenses described on Schedule 11.9(a)(ii) shall be paid by the party to which such costs and expenses are allocated thereon and in Article II.

(b) Except as otherwise expressly provided in this Agreement (including Article II, Article IV, Section 5.1, Section 8.4, and paragraph (a)(ii) of this Section 11.9), each Group shall be responsible for the costs and expenses incurred by such Group after the Distribution Date, whether in connection with the Internal Distribution and the External Distribution or otherwise.

(c) With respect to any expenses incurred pursuant to a request for further assurances granted under Section 9.1(b), the parties agree that such expenses shall be borne and paid by the party incurring such expense in complying with such request; it being understood that no party shall be obliged to incur any third-party accounting, consulting, advisor, banking or legal fees, costs or expenses, and the requesting party shall not be obligated to pay such fees, costs or expenses, unless such fee, cost or expense shall have had the prior written approval of the requesting party.

11.10 **Late Payments**. Except as expressly provided to the contrary in this Agreement, any amount not paid when due pursuant to this Agreement (and any amounts billed or otherwise invoiced or demanded and properly payable that are not paid within thirty (30) days of such bill, invoice or other demand) shall accrue interest at a rate per annum equal to the Prime Rate plus one and one-half percent (1.5%) or the maximum rate permitted by Law, whichever is less.

11.11 **Headings**. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

11.12 **Survival of Covenants**. The covenants, representations and warranties contained in this Agreement, and liability for the breach of any obligations contained herein or therein, shall survive the Internal Distribution and the External Distribution and shall remain in full force and effect.

11.13 **Waivers of Default**. Waiver by any party of any default by the other party of any provision of this Agreement shall not be deemed a waiver by the waiving party of any subsequent or other default, nor shall it prejudice the rights of such party. No failure or delay by any party in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof nor shall a single or partial exercise thereof prejudice any other or further exercise thereof or the exercise of any other right, power or privilege.

11.14 **Specific Performance**. Subject to the provisions of Article VI, in the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the party or parties who are, or are to be, thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief (on an interim or permanent basis) in respect of its or their rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative. The parties agree that the remedies at law for any breach or threatened breach, including monetary damages, are inadequate compensation for any loss and that any defense in any action for specific performance that a remedy at law would be adequate is waived. Any requirements for the securing or posting of any bond with such remedy are waived by each of the parties to this Agreement.

11.15 **Amendments**. No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the party against whom such waiver, amendment, supplement or modification is sought to be enforced; *provided*, at any time prior to the Effective Time, the terms and conditions of this Agreement, including

terms relating to the Internal Distribution and the External Distribution, may be amended, modified or abandoned by and in the sole and absolute discretion of the RemainCo Board without the approval of any Person, including SpinCo or the stockholders of RemainCo.

11.16 **Interpretation**. In this Agreement, (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires; (b) the terms "hereof," "herein," "herewith" and words of similar import, and the terms "Agreement" and "Ancillary Agreement" shall, unless otherwise stated, be construed to refer to this Agreement or the applicable Ancillary Agreement as a whole (including all of the Schedules, Exhibits, Annexes and Appendices hereto and thereto) and not to any particular provision of this Agreement or such Ancillary Agreement; (c) Article, Section, Exhibit, Schedule and Appendix references are to the Articles, Sections, Exhibits, Schedules and Appendices to this Agreement unless otherwise specified; (d) the word "including" and words of similar import when used in this Agreement means "including, without limitation"; (e) the word "or" shall not be exclusive; (f) unless expressly stated to the contrary in this Agreement, all references to "the date hereof," "the date of this Agreement," "hereby" and "hereupon" and words of similar import shall all be references to the date first stated in the preamble to this Agreement, regardless of any amendment or restatement hereof; (g) unless otherwise provided, all references to "$" or "dollars" are to United States dollars; and (h) references to the performance, discharge or fulfillment of any Liability in accordance with its terms shall have meaning only to the extent such Liability has terms, and if the Liability does not have terms, the reference shall mean performance, discharge or fulfillment of such Liability.

11.17 **Exclusivity of Tax Matters**. Notwithstanding any other provision of this Agreement (other than Sections 2.10(b), 5.2(d), 7.5(h), 7.6(g) and 9.6(a)), the Tax Matters Agreement shall exclusively govern all matters related to Taxes addressed therein.

11.18 **Limitations of Liability**. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER SPINCO NOR ITS AFFILIATES, ON THE ONE HAND, NOR REMAINCO NOR ITS AFFILIATES, ON THE OTHER HAND, SHALL BE LIABLE UNDER THIS AGREEMENT TO THE OTHER FOR ANY CONSEQUENTIAL, SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, REMOTE, SPECULATIVE OR SIMILAR DAMAGES IN EXCESS OF COMPENSATORY DAMAGES OF THE OTHER ARISING IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY (OTHER THAN ANY SUCH LIABILITY WITH RESPECT TO A THIRD-PARTY CLAIM).

[Signature Page to Follow.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

EXTERRAN HOLDINGS, INC.

D. Bradley Childers
Chief Executive Officer

AROC CORP.

D. Bradley Childers
Chief Executive Officer

EXTERRAN CORPORATION

Andrew Way
Chief Executive Officer

EXTERRAN GENERAL HOLDINGS LLC

D. Bradley Childers
Chief Executive Officer

EXTERRAN ENERGY SOLUTIONS, L.P.

By: Exterran General Holdings LLC,
its general partner

D. Bradley Childers
Chief Executive Officer

EESLP LP LLC

D. Bradley Childers
Chief Executive Officer

AROC SERVICES GP LLC

D. Bradley Childers
Chief Executive Officer

AROC SERVICES LP LLC

D. Bradley Childers
Chief Executive Officer

ARCHROCK SERVICES, L.P.

By: AROC Services GP LLC,
its general partner

D. Bradley Childers
Chief Executive Officer

Schedules to this Agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any omitted schedules to the Securities and Exchange Commission upon request.

Exhibit 4.2

Execution Version

AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

October 5, 2015

by and among

EXTERRAN CORPORATION,
as Parent,

EXTERRAN ENERGY SOLUTIONS, L.P.,
as Borrower,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as Syndication Agent,

BANK OF AMERICA, N.A.,
CITIBANK, N.A.
and
ROYAL BANK OF CANADA,
as Co-Documentation Agents

and

WELLS FARGO SECURITIES, LLC,
and
CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as Joint Bookrunners

WELLS FARGO SECURITIES, LLC,
CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
CITIGROUP GLOBAL MARKETS INC.
and
RBC CAPITAL MARKETS, LLC,
as Joint Lead Arrangers

TABLE OF CONTENTS

		Page
ARTICLE I DEFINITIONS AND ACCOUNTING MATTERS		1
Section 1.01	Certain Defined Terms	1
Section 1.02	Types of Loans and Borrowings	34
Section 1.03	Terms Generally; Rules of Construction	35
Section 1.04	Accounting Terms and Determinations; GAAP	35
Section 1.05	Currency Translation	36
ARTICLE II THE CREDITS		36
Section 2.01	Commitments	36
Section 2.02	Loans and Borrowings	36
Section 2.03	Requests for Borrowings	38
Section 2.04	Interest Elections	38
Section 2.05	Funding of Borrowings	40
Section 2.06	Termination, Reduction and Increase of Commitments	40
Section 2.07	Letters of Credit	43
Section 2.08	Swingline Loans	49
Section 2.09	Amend and Extend Transactions	50
ARTICLE III PAYMENTS OF PRINCIPAL AND INTEREST; PREPAYMENTS; FEES		51

Section 3.01	Repayment of Loans	51
Section 3.02	Interest	51
Section 3.03	Alternate Rate of Interest	52
Section 3.04	Prepayments	53
Section 3.05	Fees	55
ARTICLE IV PAYMENTS; PRO RATA TREATMENT; SHARING OF SET-OFFS		56
Section 4.01	Payments Generally; Pro Rata Treatment; Sharing of Set-offs	56
Section 4.02	Presumption of Payment by the Borrower	57
Section 4.03	Certain Deductions by the Administrative Agent; Defaulting Lenders	58
ARTICLE V INCREASED COSTS; BREAK FUNDING PAYMENTS; TAXES; ILLEGALITY		60
Section 5.01	Increased Costs	60
Section 5.02	Break Funding Payments	61
Section 5.03	Taxes	61
Section 5.04	Mitigation Obligations; Replacement of Lenders	65
Section 5.05	Illegality	66
ARTICLE VI CONDITIONS PRECEDENT		66
Section 6.01	Conditions Precedent to the Effective Date	66
Section 6.02	Conditions Precedent to the Initial Availability Date	67

TABLE OF CONTENTS
(Continued)

		Page
Section 6.03	Each Credit Event	70
ARTICLE VII REPRESENTATIONS AND WARRANTIES		70
Section 7.01	Legal Existence	70
Section 7.02	Financial Condition	70
Section 7.03	Litigation	71
Section 7.04	No Breach	71
Section 7.05	Authority	71
Section 7.06	Approvals	71
Section 7.07	Use of Loans and Letters of Credit	71
Section 7.08	ERISA	72
Section 7.09	Taxes	72
Section 7.10	Title, Etc.	72
Section 7.11	No Material Misstatements	73
Section 7.12	Investment Company Act	73
Section 7.13	Subsidiaries	73
Section 7.14	Location of Offices	73
Section 7.15	Defaults	73
Section 7.16	Environmental Matters	73
Section 7.17	Compliance with Laws	74
Section 7.18	Insurance	74
Section 7.19	Hedging Agreements	74
Section 7.20	Restriction on Liens	75
Section 7.21	Anti-Terrorism Law; Sanctions	75
Section 7.22	Security Instruments	75
Section 7.23	Flood Insurance and Mortgage Related Matters	76
ARTICLE VIII AFFIRMATIVE COVENANTS		77
Section 8.01	Reporting Requirements	77
Section 8.02	Maintenance, Etc.	78
Section 8.03	Environmental Matters	79
Section 8.04	Further Assurances	80
Section 8.05	Performance of Obligations under Loan Documents	80
Section 8.06	Collateral and Guarantees	80
Section 8.07	Post-Closing Matters	83
ARTICLE IX NEGATIVE COVENANTS		84
Section 9.01	Indebtedness	84
Section 9.02	Liens	87
Section 9.03	Investments	88
Section 9.04	Restricted Payments	88

Section 9.05	Nature of Business; Activities of Parent	89
Section 9.06	Mergers, Etc.	90
Section 9.07	Proceeds of Loans; Letters of Credit	90
Section 9.08	Sale or Discount of Receivables	91
Section 9.09	Fiscal Year Change	91

TABLE OF CONTENTS
(Continued)

		Page
Section 9.10	Financial Covenants	91
Section 9.11	Disposition of Properties	91
Section 9.12	Environmental Matters	92
Section 9.13	Transactions with Affiliates	92
Section 9.14	Subsidiaries; Unrestricted Subsidiaries	93
Section 9.15	Restrictive Agreements	94
Section 9.16	Prepayments	95
Section 9.17	Amendments to Permitted Term Loan Refinancing Indebtedness Documents	96
ARTICLE X EVENTS OF DEFAULT; REMEDIES		96
Section 10.01	Events of Default	96
Section 10.02	Remedies	98
ARTICLE XI THE AGENTS		99
Section 11.01	Appointment; Powers	99
Section 11.02	Duties and Obligations of Administrative Agent	99
Section 11.03	Action by Administrative Agent	100
Section 11.04	Reliance by Administrative Agent	100
Section 11.05	Subagents	100
Section 11.06	Resignation or Removal of Administrative Agent	101
Section 11.07	Agents as Lenders	101
Section 11.08	No Reliance	101
Section 11.09	Administrative Agent May File Proofs of Claim	102
Section 11.10	Authority of Administrative Agent to Release Collateral and Liens	102
Section 11.11	The Joint Lead Arrangers, the Joint Bookrunners, the Syndication Agent and the Co-Documentation Agents	103
Section 11.12	Authorization to Enter into Intercreditor Agreement	103
ARTICLE XII MISCELLANEOUS		103
Section 12.01	Notices	103
Section 12.02	Waivers; Amendments	104
Section 12.03	Expenses, Indemnity; Damage Waiver	105
Section 12.04	Successors and Assigns	107
Section 12.05	Survival; Revival; Reinstatement	110
Section 12.06	Counterparts; Integration; Effectiveness	111
Section 12.07	Severability	111
Section 12.08	Right of Setoff	111
Section 12.09	Governing Law; Jurisdiction; Consent to Service of Process	112
Section 12.10	Headings	113
Section 12.11	Confidentiality	113
Section 12.12	Interest Rate Limitation	113
Section 12.13	Exculpation Provisions	114
Section 12.14	Collateral Matters; Hedging Agreements; Treasury Management Agreements	115
Section 12.15	No Third Party Beneficiaries	115

TABLE OF CONTENTS
(Continued)

		Page
Section 12.16	USA PATRIOT Act Notice	115
Section 12.17	No Fiduciary Duty	115
Section 12.18	Conversion of Currencies	116
Section 12.19	Amendment and Restatement	116

TABLE OF CONTENTS
(Continued)

EXHIBITS AND SCHEDULES

Annex I	Commitments
Exhibit A-1	Form of Revolving Note
Exhibit A-2	Form of Term Loan Note
Exhibit B	Form of Borrowing Request
Exhibit C	Form of Interest Election Request
Exhibit D	Form of Compliance Certificate
Exhibit E	Form of Assignment and Assumption
Exhibit F	Security Instruments
Exhibit G	[Reserved]
Exhibit H-1	Form of Commitment Increase Certificate
Exhibit H-2	Form of Additional Lender Certificate
Exhibit I-1	Form of U.S. Tax Certificate (Foreign Lenders; not partnerships)
Exhibit I-2	Form of U.S. Tax Certificate (Foreign participants; not partnerships)
Exhibit I-3	Form of U.S. Tax Certificate (Foreign participants; partnerships)
Exhibit I-4	Form of U.S. Tax Certificate (Foreign Lenders; partnerships)
Schedule 1.01(a)	Separation Documents
Schedule 1.01(b)	Unrestricted Subsidiaries
Schedule 1.02(a)	Existing Letters of Credit
Schedule 1.02(b)	LC Issuance Limit
Schedule 7.03	Litigation
Schedule 7.09	Taxes
Schedule 7.10	Titles, Etc.
Schedule 7.13	Subsidiaries
Schedule 7.16	Environmental Matters
Schedule 7.19	Hedging Agreements
Schedule 7.20	Restriction on Liens
Schedule 7.22	Jurisdictions for Security Instrument Filings
Schedule 7.23	Flood Properties
Schedule 8.06	Excluded Collateral
Schedule 9.01	Indebtedness
Schedule 9.02	Liens
Schedule 9.03	Investments, Loans and Advances
Schedule 9.11(f)	Permitted Dispositions of Property
Schedule 9.13	Transactions with Affiliates

THIS AMENDED AND RESTATED CREDIT AGREEMENT dated as of October 5, 2015 is by and among EXTERRAN CORPORATION, a Delaware corporation ("Parent"), EXTERRAN ENERGY SOLUTIONS, L.P., a Delaware limited partnership (the "Borrower"), the Lenders from time to time party hereto and WELLS FARGO BANK, NATIONAL ASSOCIATION, in its capacity as Administrative Agent.

R E C I T A L S

A. Parent, the Borrower, the Administrative Agent and the other agents and lenders party thereto are parties to that certain Credit Agreement dated as of July 10, 2015, pursuant to which such lenders agreed to provide certain loans to and extensions of credit on behalf of the Borrower, subject to certain conditions (the "Existing Credit Agreement").

B. The parties hereto desire to amend and restate the Existing Credit Agreement in its entirety in the form of this Agreement to (i) renew the agreement by the Lenders to provide certain loans to and extensions of credit on behalf of the Borrower and (ii) amend certain other terms of the Existing Credit Agreement in certain respects as provided in this Agreement.

C. Subject to the occurrence of the Initial Availability Date and such other terms and conditions set forth in this Agreement, the Lenders have agreed to make loans to and extensions of credit on behalf of the Borrower.

D. In consideration of the mutual covenants and agreements herein contained and of the loans, extensions of credit and commitments hereinafter referred to, the parties hereto agree that the Existing Credit Agreement is hereby amended, renewed, extended and restated in its entirety in the form of this Agreement on (and subject to) the terms and conditions set forth herein. The parties hereto further agree as follows:

ARTICLE I
Definitions and Accounting Matters

Section 1.01 Certain Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Base Rate.

"ABS Facility" means any asset-backed securitization facility of an ABS Subsidiary to the extent such Subsidiary is permitted to enter into such facility pursuant to Section 9.01(m).

"ABS Subsidiary" means any Subsidiary involved in or created in connection with any ABS Facility, including any Subsidiary that is obligated on any Indebtedness in respect of any ABS Facility.

"Additional Revolving Lender" has the meaning assigned to such term in Section 2.06(c)(i).

"Additional Revolving Lender Certificate" has the meaning assigned to such term in Section 2.06(c)(ii)(G).

"Adjusted LIBO Rate" means with respect to any LIBOR Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/100 of 1%) equal to the product of (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Administrative Agent" means Wells Fargo Bank, National Association, in its capacity as administrative agent hereunder and under the other Loan Documents, and its successors in such capacity as provided in Section 11.06.

"Administrative Agent Fee Letter" means that certain amended and restated letter agreement among the Borrower, the Administrative Agent and Wells Fargo Securities, LLC dated October 5, 2015, and any other letter agreement among the Borrower and the Administrative Agent entered into from time to time, in each case, concerning, among other things, certain fees to be paid by the Borrower to the Administrative Agent in connection with this Agreement and as may be amended or replaced from time to time.

"Administrative Questionnaire" means an Administrative Questionnaire in a standard form supplied from time to time by the Administrative Agent.

"Affected Loans" has the meaning assigned to such term in Section 5.05.

"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 Person specified.

"Agents" means, collectively, the Administrative Agent, the Syndication Agent and the Co-Documentation Agents, and "Agent" means any of the Administrative Agent, the Syndication Agent or any Co-Documentation Agent, as the context requires.

"Aggregate Revolving Commitments" at any time shall equal the sum of the Revolving Commitments at such time. As of the Effective Date, the amount of the Aggregate Revolving Commitments is $680,000,000.

"Agreement" means this Amended and Restated Credit Agreement, as the same may from time to time be amended, modified, supplemented or restated.

"Agreement Currency" has the meaning assigned to such term in Section 12.18(b).

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to any Loan Party or any of its Subsidiaries from time to time concerning or relating to bribery or corruption, including the United States Foreign Corrupt Practices Act of 1977.

"Anti-Terrorism Laws" has the meaning assigned to such term in Section 7.21(a).

"Applicable Creditor" has the meaning assigned to such term Section 12.18(b).

"Applicable Lending Office" means, for each Lender and for each Type of Loan, the lending office of such Lender designated for such Type of Loan on the signature pages hereof or such other offices of such Lender as such Lender may from time to time specify to the Administrative Agent and the Borrower as the office from which its Loans of such Type are to be made and maintained.

"Applicable Margin" means (a) with respect to Term Loans, (i) 4.75% for any ABR Term Loan and (ii) 5.75% for any LIBOR Term Loan and (b) for any day, with respect to any LIBOR Loan, EURIBOR Loan or ABR Loan that is a Revolving Loan, or with respect to Revolving Commitment Fees, the applicable rate per annum set forth in the table below under the caption "LIBOR Loans / EURIBOR Loans", "ABR Loans" or "Revolving Commitment Fees", as the case may be, determined by reference to the Total Leverage Ratio as of the most recent date of determination:

Level	Total Leverage Ratio	LIBOR Loans / EURIBOR Loans (bps)	ABR Loans (bps)	Revolving Commitment Fees (bps)
I	Less than or equal to 1.5 to 1.0	150.0	50.0	25.0
II	Less than or equal to 2.0 to 1.0 but greater than 1.5 to 1.0	175.0	75.0	25.0
III	Less than or equal to 2.5 to 1.0 but greater than 2.0 to 1.0	200.0	100.0	30.0
IV	Less than or equal to 3.0 to 1.0 but greater than 2.5 to 1.0	225.0	125.0	35.0
V	Less than or equal to 3.5 to 1.0 but greater than 3.0 to 1.0	250.0	150.0	40.0
VI	Greater than 3.5 to 1.0	275.0	175.0	50.0

provided that, with respect to the rates set forth in the table above under the caption "LIBOR Loans / EURIBOR Loans", (i) from and after the Initial Availability Date until and including the first anniversary of the Initial Availability Date, for so long as no Qualified Capital Raise has occurred, such rate as set forth in the table above shall be increased by 100.0 basis points and (ii) following the first anniversary of the Initial Availability Date, for so long as no Qualified Capital Raise has occurred, such rate as set forth in the table above shall be increased by 150.0 basis points.

For purposes of determining the Applicable Margin for the period commencing on the Initial Availability Date and ending upon the date of the first delivery after the Initial Availability Date of financial statements and compliance calculations pursuant to Sections 8.01(a) and 8.01(b), the Total Leverage Ratio will be deemed to be that which corresponds to Level II. Each change in the Applicable Margin resulting from a change in the Total Leverage Ratio (which shall

be calculated quarterly) shall take effect as of the fifth Business Day following the receipt of the Compliance Certificate delivered pursuant to Section 8.01(b); provided that the Total Leverage Ratio shall be deemed to be Level VI if the Borrower fails to deliver the annual or quarterly consolidated financial statements required to be delivered by it pursuant to Sections 8.01(a) and 8.01(b), respectively, during the period from the expiration of the time for delivery thereof until such consolidated financial statements are delivered. In the event that any financial statement or Compliance Certificate delivered pursuant to Section 8.01(a) or (b) is shown to be inaccurate (regardless of whether this Agreement or the Commitments are in effect when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an "Applicable Period") than the Applicable Margin applied for such Applicable Period, and only in such case, then Parent and the Borrower shall promptly (i) deliver to the Administrative Agent a corrected Compliance Certificate for such Applicable Period, (ii) determine the Applicable Margin for such Applicable Period based upon the corrected Compliance Certificate, and (iii) pay to the Administrative Agent the accrued additional interest owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with Section 4.01. The preceding sentence is in addition to rights of the Administrative Agent and Lenders with respect to Sections 3.02(e), 10.01 and 10.02 and other of their respective rights under this Agreement.

"Applicable Percentage" means, with respect to any Lender at any time, the fraction expressed as a percentage obtained by dividing (a) the sum of (i) the principal amount of such Lender's outstanding Term Loans (or, prior to the funding of the Term Loans on the Initial Availability Date, such Lender's Term Loan Commitment) at such time *plus* (ii) the amount of such Lender's Revolving Commitment at such time by (b) the sum of (i) the total outstanding principal amount of all Term Loans (or, prior to the funding of the Term Loans on the Initial Availability Date, the aggregate Term Loan Commitments of all of the Term Loan Lenders) at such time *plus* (ii) the amount of the Aggregate Revolving Commitments at such time. If all of the Revolving Commitments have terminated or expired, the Applicable Percentages shall instead be determined by reference to each Lender's Revolving Credit Exposure at such time in clause (a) (as opposed to such Lender's Revolving Commitment) and the Total Revolving Credit Exposure at such time in clause (b) (as opposed to the Aggregate Revolving Commitments).

"Applicable Revolving Percentage" means, with respect to any Revolving Lender at any time, the percentage of the Aggregate Revolving Commitments represented by such Lender's Revolving Commitment at such time. If all of the Revolving Commitments have terminated or expired, the Applicable Revolving Percentages shall be determined based upon the percentage of the Total Revolving Credit Exposure at such time represented by each Lender's Revolving Credit Exposure at such time.

"Applicable Term Loan Percentage" means, with respect to any Term Loan Lender at any time, the percentage of the total outstanding principal amount of all Term Loans represented by such Term Loan Lender's outstanding Term Loans at such time (or, prior to the funding of the Term Loans on the Initial Availability Date, the percentage of the aggregate Term Loan Commitments of all the Term Loan Lenders represented by such Term Loan Lender's Term Loan Commitment at such time).

"AROC Corp." means AROC Corp., a Delaware corporation.

"Asset Swap" means any substantially contemporaneous (and in any event occurring within 180 days of each other) purchase and sale or exchange of any assets or properties used or useful in the lines of business permitted under Section 9.05 between the Borrower or any Restricted Subsidiaries and another Person, so long as the consideration received by the Borrower or any Restricted Subsidiary is substantially the same as or greater than the fair market value of the assets or properties Disposed of by the Borrower or such Restricted Subsidiary, as reasonably determined by the Borrower.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 12.04), and accepted by the Administrative Agent, in the form of Exhibit E or any other form reasonably approved by the Administrative Agent.

"Attributable Debt" in respect of a sale and leaseback transaction means, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP. As used in this definition, the phrase "net rental payments" under any lease for any such period shall mean the sum of rental and other payments required to be paid with respect to such period by the lessee thereunder, excluding any amounts required to be paid by such lessee on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges. In the case of any lease that is terminable by the lessee upon payment of penalty, such net rental payment shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated.

"Availability Period" means the period from and including the Initial Availability Date to but excluding the Termination Date.

"Bankruptcy Code" means the Bankruptcy Code in Title 11 of the United States Code, as amended, modified, succeeded or replaced from time to time.

"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 Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the LIBO Rate for a one month interest period on such day (or if such day is not a Business Day, the immediately preceding Business Day) for a deposit in dollars with a maturity of one month plus 1% per annum; provided that, for purposes of this definition, the LIBO Rate on any day shall be based on the rate per annum as set forth by Bloomberg Information Service or any successor thereto on the applicable page displaying interest rates for dollar deposits in the Relevant Interbank Market at approximately 11:00 a.m., London time, on such day for deposits in dollars with a maturity of one month. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate, respectively.

"Board" means the Board of Governors of the Federal Reserve System of the United States of America or any successor Governmental Authority.

"Borrower" has the meaning assigned to such term in the preamble hereto.

"Borrowing" means a Revolving Borrowing, a Term Loan Borrowing, or a Swingline Borrowing.

"Borrowing Request" means a request by the Borrower for a Borrowing in accordance with Section 2.03.

"Building" has the meaning assigned to such term in the applicable Flood Insurance Law.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in Houston, Texas are authorized or required by law to remain closed; provided that (a) when used in connection with a LIBOR Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market, and (b) when used in connection with a EURIBOR Loan, the term "Business Day" shall also exclude any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) payment system is not open for the settlement of payments in Euros.

"Capital Expenditures" means, without duplication, any expenditure or commitment to expend money for any purchase or other acquisition of any asset which would be classified as a fixed or capital asset on a consolidated balance sheet of Parent and its Restricted Subsidiaries prepared in accordance with GAAP.

"Capital Lease" means a lease of (or other arrangement conveying the right to use) real and/or personal Property, or a combination thereof, with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a Indebtedness in accordance with GAAP.

"Capital Lease Obligations" means, as to any Person, all obligations of such Person as lessee under any Capital Lease, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Cash Equivalents" means:

(a) securities issued or directly and fully guaranteed or insured by the government of the United States or any other country whose sovereign debt has a rating of at least A3 from Moody's and at least A- from S&P or any agency or instrumentality thereof having maturities of not more than twelve (12) months from the date of acquisition;

(b) certificates of deposit and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank organized under the laws of any country that is a member of the Organization for Economic Cooperation and Development having capital and surplus in excess of $500,000,000 (or the equivalent thereof in any other currency or currency unit) and has a short term deposit rating of no lower than A2 or P2, as such rating is set forth from time to time by S&P or Moody's, respectively;

(c) repurchase obligations with a term of not more than thirty (30) days for underlying securities of the types described in clauses (a) and (b) above entered into with any financial institution meeting the qualifications specified in clause (b) above;

(d) commercial paper rated at least P2 or A2 from Moody's or S&P, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of investments, and in each case maturing within one year after the date of acquisition;

(e) solely with respect to deposits of Foreign Subsidiaries, deposits available for withdrawal on demand with any commercial bank not meeting the qualifications specified in clause (b) above; and

(f) money market mutual funds substantially all of the assets of which are of the type described in the foregoing clauses (a) through (d).

"CFC" means any Subsidiary that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Control" means (a) at any time prior to the Initial Availability Date, the occurrence of one or more of the following events: (i) the approval by the holders of Equity Interests in the Borrower of any plan or proposal for the liquidation or dissolution of the Borrower (whether or not otherwise in compliance with the provisions of this Agreement); (ii) any Person or "group" (within the meaning of Section 13(d) of the Exchange Act as in effect on the date hereof) shall become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act as in effect on the date hereof) of shares representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of EXH; or (iii) EXH ceases to own, directly or indirectly, 100% of the Equity Interests in Parent or the Borrower; or (b) at any time on or after the Initial Availability Date, the occurrence of one or more of the following events: (i) Parent ceases to own, directly or indirectly, 100% of the Equity Interests in the Borrower; (ii) the approval by the holders of Equity Interests in the Borrower of any plan or proposal for the liquidation or dissolution of the Borrower (whether or not otherwise in compliance with the provisions of this Agreement) or (iii) any Person or "group" (within the meaning of Section 13(d) of the Exchange Act as in effect on the date hereof) shall become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act as in effect on the date hereof), of shares representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of Parent; provided that the consummation of the Separation Transaction and any related transaction contemplated by the Separation Documents, in each case occurring substantially contemporaneously with the Initial Availability Date, shall be deemed not to be a Change in Control.

"Change in Law" means the occurrence, after the Effective Date, 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, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) 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 or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Class" means, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, Term Loans or Swingline Loans.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute (except as otherwise provided herein).

"Co-Documentation Agents" means, collectively, Bank of America, N.A., Citibank, N.A. and Royal Bank of Canada.

"Collateral" means all Property of the Group Members that is subject to a Lien in favor of the Administrative Agent, for the benefit of the Secured Parties, under one or more of the Security Instruments.

"Commitment" means the Revolving Commitment and/or the Term Loan Commitment of a Lender, as the context requires, and "Commitments" means, collectively, the Revolving Commitments and the Term Loan Commitments of all of the Lenders.

"Compliance Certificate" has the meaning assigned to such term in Section 8.01(b).

"Confidential Information" has the meaning assigned to such term in Section 12.11.

"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 Net Income" means for any period, the aggregate of the net income (or loss) of Parent and its Consolidated Restricted Subsidiaries after allowances for taxes for such period, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded from such net income (to the extent otherwise included therein) the following (without duplication): (a) the net income (or loss) of any Person in which Parent or any of its Consolidated Restricted Subsidiaries has an interest (which interest does not cause the net income of such other Person to be consolidated with the net income of Parent and its Consolidated Restricted Subsidiaries in accordance with GAAP), except to the extent of the amount of cash dividends or distributions actually paid during such period by such other Person to Parent or to a Consolidated Restricted Subsidiary of Parent, as the case may be; (b) an amount equal to the portion of the net income (but not loss) of any Consolidated Restricted Subsidiary of Parent that is not at the time permitted (whether by operation of the terms of its charter or any agreement, instrument or Governmental Requirement applicable to such Consolidated Restricted Subsidiary or otherwise) to be distributed, paid, repaid, loaned or otherwise transferred to Parent or any of Parent's other Consolidated Restricted Subsidiaries; provided that upon the removal of such restriction, the aggregate net income of such Consolidated Restricted Subsidiary previously excluded within the immediately preceding four (4) fiscal quarters shall be added to the net income of Parent and its Consolidated Restricted Subsidiaries for the same quarters; (c) any extraordinary gains or losses; (d) gains or losses attributable to Property sales not in the ordinary course of business; (e) the cumulative effect of a change in accounting principles and any gains or losses attributable to writeups or write downs of assets; (f) gains, losses or other charges as a result of the early retirement of Indebtedness, including obligations under Hedging Agreements; (g) non-cash gains or losses as a result of foreign currency adjustments and (h) costs related to the issuance of long-term Indebtedness to the extent such costs are paid from the proceeds of such Indebtedness or are paid substantially concurrently with the issuance of such Indebtedness.

"Consolidated Net Tangible Assets" means, with respect to Parent as of any date, the aggregate amount of total assets included in the most recent annual or quarterly consolidated balance sheet of Parent and its Consolidated Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP and after deducting therefrom, to the extent otherwise included, unamortized debt discount and expenses and other unamortized deferred charges, goodwill, patents, trademarks, service marks, trade names, copyrights, licenses, organization or development expenses and other intangible items.

"Consolidated Restricted Subsidiary" means any Restricted Subsidiary that is a Consolidated Subsidiary of Parent.

"Consolidated Subsidiary" of a Person means each Subsidiary of such Person, the financial statements of which are (or should be) consolidated with the financial statements of such Person in accordance with GAAP.

"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.

"Customary Recourse Exceptions" means, with respect to any Non-Recourse Indebtedness of an Unrestricted Subsidiary, exclusions from the exculpation provisions with respect to such Non-Recourse Indebtedness for the voluntary bankruptcy of such Unrestricted Subsidiary, 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.

"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.

"Defaulting Lender" means, at any time, any Lender that has (a) failed to fund any portion of its Loans or participations in Letters of Credit or Swingline Loans within two (2) Business Days of the date required to be funded by it hereunder, unless, in the case of a failure by such Lender to fund any portion of its Loans, such Lender notifies the Administrative Agent in writing prior to the date on which such funding is required to be made by it hereunder that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) notified any Loan Party, the Administrative Agent, any Issuing Bank, the Swingline Lender or any Lender 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 (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a Loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) failed, within three (3) Business Days after request by the Borrower or the Administrative Agent, to confirm in writing that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans and participations in then outstanding Letters of Credit (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Borrower or the Administrative Agent in form and substance satisfactory to the Borrower or the Administrative Agent, as the case may be), (d) otherwise failed to pay over to the Administrative Agent, any Issuing Bank or any Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, unless the subject of a good faith dispute, or (e) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, administrator, trustee, custodian or similar Person appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment, or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, administrator, trustee, custodian or similar Person appointed for it, or 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 Lender shall not become a Defaulting Lender solely as the result of the acquisition or maintenance of an ownership interest in such Lender or its parent company, or the exercise of control over such Lender or its parent company, by a Governmental Authority, as long as such ownership interest or exercise of control does not result in or provide such Lender or its parent company 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 its parent company (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any such Agreements made by such Lender or its parent company.

"Disclosing Parties" has the meaning assigned to such term in Section 12.11.

"Dispose" means to sell, lease, assign, exchange, convey or otherwise transfer (excluding the granting of a Lien on) any Property. "Disposition" has a meaning correlative thereto. For the avoidance of doubt, payments made by the Borrower to AROC Corp. pursuant to Sections 9.7 and 9.8 of the Separation and Distribution Agreement shall not constitute a Disposition by Parent or any of its Subsidiaries.

"Disqualified Capital Stock" means any Equity Interest that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event, matures or is mandatorily redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock), pursuant to a sinking fund obligation or otherwise, or is convertible or exchangeable for Indebtedness or redeemable for any consideration other than other Equity Interests (which would not constitute Disqualified Capital Stock) at the option of the holder thereof, in whole or in part, on or prior to the date that is one-hundred eighty (180) days after the Revolving Maturity Date.

"Disqualified Institution" means, on any date, any Person that is a bona fide direct competitor of Parent, the Borrower or any of its Subsidiaries whose active and primary business is in the same or a substantially similar industry which offers a substantially similar product or services as Parent or the Borrower or its Subsidiaries; provided that any bona fide debt fund or investment vehicle that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business which is managed, sponsored or advised by any Person Controlling, Controlled by or under common Control with such Disqualified Institution or its Controlling owner and for which no personnel involved with the competitive activities of such competitor or Controlling owner (i) makes any investment decisions for such debt fund or (ii) has access to any confidential information (other than publicly available information) relating to Parent, the Borrower and its Subsidiaries shall be deemed not to be a Disqualified Institution.

"Dissolved Subsidiary" has the meaning assigned to such term in Section 8.06(c)(ii).

"dollars", "Dollars", "US Dollars" or "$" refers to lawful money of the United States of America.

"Domestic Subsidiary" means each Restricted Subsidiary that is not a Foreign Subsidiary.

"EBITDA" means, for any period, the sum of Consolidated Net Income for such period plus the following consolidated expenses or charges to the extent deducted from Consolidated Net Income for such period: (a) total interest expense (as reflected on the consolidated income statement for such period), (b) taxes, (c) depreciation, (d) amortization, (e) fees and expenses incurred or paid in connection with the consummation of acquisitions, (f) fees and expenses incurred in connection with the Separation Transaction to the extent such fees and expenses are incurred on or prior to the last day of the first full Fiscal Quarter commencing on or after the Initial Availability Date, (g) cash from distributions actually received by Parent or any Consolidated Restricted Subsidiary during such period from Unrestricted Subsidiaries; provided that the amount of such cash distributions included pursuant to this clause (g) shall not exceed 25% of the total EBITDA during such period (as calculated prior to including any such cash distributions) and (h) other non-cash charges, provided that any cash actually paid in any future period with respect to such non-cash charges shall be deducted from EBITDA for such future period when paid; provided further that if at any time during such period Parent or any Consolidated Restricted Subsidiary shall have made any individual acquisition or Disposition with a sale price in excess of $50,000,000, EBITDA for such period shall be calculated giving pro forma effect thereto as if such acquisition or Disposition had occurred on the first day of such period (such pro forma effect to include projected synergies) as determined by the Borrower in a manner reasonably acceptable to the Administrative Agent.

"Effective Date" means the date on which the conditions specified in Section 6.01 are satisfied (or waived in accordance with Section 12.02).

"Effective Date Versions" means the forms of the Separation Documents delivered by the Borrower pursuant to Section 6.01(c).

"Environmental Laws" means all Governmental Requirements pertaining to protection, conservation, preservation or reclamation of the environment; to the use, handling or Release of Hazardous Materials; to occupational safety and health requirements; or to the protection of natural resources, as in effect in any and all jurisdictions in which the Borrower or any Subsidiary is or has conducted business or is or has generated, sent or Released any Hazardous Material, or where any Property of the Borrower or any Subsidiary is or was located, including without limitation, the Oil Pollution Act of 1990 and the Comprehensive Environmental, Response, Compensation, and Liability Act of 1980, including, without limitation, all state, national and international corollary laws, as each are amended from time to time.

"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 such Equity Interests.

"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 Loan Party, 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(c) 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) failure to satisfy the minimum funding standards under Section 412 of the Code or Section 302 of ERISA, whether or not waived; (c) the filing pursuant to Section 412(c) of the Code or Section 303(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by any Loan Party 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 Loan Party or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or to appoint a trustee to administer any Plan; (f) the incurrence by any Loan Party or any ERISA Affiliate of any liability with respect to the withdrawal from any Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in

Section 4001(a)(2) of ERISA; (g) the receipt by any Loan Party or any ERISA Affiliate of any notice imposing Withdrawal Liability or receipt by any Loan Party or any ERISA Affiliate of any notice that a Multiemployer Plan is insolvent or in endangered or critical status within the meaning of Title IV of ERISA; or (h) with regard to any Foreign Plan, (x) the failure to make or, if applicable, accrue in accordance with normal accounting practices, any employer or employee contributions required by applicable law or the terms of such Foreign Plan, (y) the failure to register or loss of good standing with the applicable regulatory authorities of any such Foreign Plan required to be registered, or (z) the failure of any Foreign Plan to comply with any material provisions of applicable law and regulations or with the material terms of such Foreign Plan.

"EURIBO Rate" means, with respect to any EURIBOR Borrowing for any Interest Period, the applicable Screen Rate as of the Specified Time on the Quotation Day (rounded upwards, if necessary, to the next 1/100 of 1%).

"EURIBOR", when used in reference to any Loan or any Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the EURIBO Rate.

"Euro" or "€" means the single currency unit of the member States of the European Community that adopt or have adopted the Euro as their lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union.

"Event of Default" has the meaning assigned to such term in Section 10.01.

"Excepted Liens" means (a) Liens for Taxes, assessments, public or statutory obligations or other governmental charges or levies which (i) are not delinquent or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP or (ii) could not reasonably be expected to have a Material Adverse Effect individually or in the aggregate for all Excepted Liens contained in clauses (a), (b), (c), (d) and (e) of this definition; (b) Liens in connection with workmen's compensation, unemployment insurance or other social security, old age pension or public liability obligations which (i) are not yet due or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP or (ii) could not reasonably be expected to have a Material Adverse Effect individually or in the aggregate for all Excepted Liens contained in clauses (a), (b), (c), (d) and (e) of this definition; (c) landlords', operators', vendors', carriers', warehousemen's, repairmen's, mechanics', workmen's, materialmen's, construction or other like Liens arising by operation of law or otherwise in the ordinary course of business, each of which (i) is in respect of obligations that have not been overdue more than 90 days or (ii) is being contested in good faith by appropriate proceedings and for which adequate reserves have been maintained in accordance with GAAP or (iii) could not reasonably be expected to have a Material Adverse Effect individually or in the aggregate for all Excepted Liens contained in clauses (a), (b), (c), (d) and (e) of this definition; (d) any Liens reserved in leases for rent or royalties and for compliance with the terms of the leases in the case of leasehold estates, if such Lien (i) does not materially impair the use of the Property covered by such Lien for the purposes for which such Property is held by Parent or any Subsidiary, (ii) is being contested in good faith by appropriate proceedings and for which adequate reserves have been maintained in accordance with GAAP or (iii) such Lien could not reasonably be expected to have a Material Adverse Effect individually or in the aggregate for all Excepted Liens contained in clauses (a), (b), (c), (d) and (e) of this definition; (e) encumbrances (other than to secure the payment of borrowed money or the deferred purchase price of Property or services), easements, restrictions, servitudes, permits, conditions, covenants, exceptions or reservations in any rights of way or other Property of Parent or any Subsidiary for the purpose of roads, pipelines, transmission lines, transportation lines, distribution lines for the removal of gas, oil, coal, minerals, timber, metals, steam or other natural resources or timber, and other like purposes, or for the joint or common use of real estate, rights of way, facilities and equipment, and defects, irregularities, zoning restrictions and deficiencies in title of any rights of way or other Property which in the aggregate do not materially impair the use of such rights of way or other Property for the purposes of which such rights of way and other Property are held by Parent or any Subsidiary or materially impair the value of such Property subject thereto or which could not reasonably be expected to have a Material Adverse Effect individually or in the aggregate for all Excepted Liens contained in clauses (a), (b), (c), (d) and (e) of this definition; (f) Liens on cash, securities or, for Foreign Subsidiaries only, other Property pledged to secure the performance of bids, trade contracts, leases, performance bonds, return-of-money or payment bonds, surety and appeal bonds, contracts or leases to which Parent or any of its Subsidiaries is a party, statutory obligations, regulatory obligations, and other obligations of a like nature incurred in the ordinary course of business; provided that, with respect to Liens on Property of Foreign Subsidiaries, such Property shall be the subject of, or used in connection with, the contracts, bonds or other obligations so secured; (g) Liens permitted by the Security Instruments; (h) judgment and attachment Liens not giving rise to an Event of Default; (i) Liens for Parent's or any Subsidiary's title to Property leased under Capital Leases; (j) Liens resulting from the deposit of funds or evidence of Indebtedness in trust for the purpose of defeasing Indebtedness of Parent or any of its Subsidiaries to the extent any such defeasance is permitted by this Agreement; (k) customary Liens on cash or cash equivalents held by a trustee for fees, costs and expenses of such trustee pursuant to an indenture; (l) Liens pursuant to merger agreements, stock purchase agreements, asset sale agreement and similar agreements on earnest money deposits, good faith deposits, purchase price adjustment escrows and similar deposits and escrow arrangements made or established thereunder; (m) Limited Recourse Equity Pledges; and (n) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights and remedies (including any such banker's liens, rights of set-off or similar rights and remedies that are contractually agreed upon in deposit account agreements, securities account agreements or commodities account agreements entered into in the ordinary course of business) and burdening only deposit accounts or other funds maintained with a creditor depository institution, provided that no such deposit account is a dedicated cash collateral account or is subject to restrictions against access by the depositor in excess of those set forth by regulations promulgated by the Board (or other applicable Governmental Authority) and no such deposit account is intended by Parent or any other Loan Party to provide collateral to the depository institution; provided that, (i) in the case of each of clauses (a) through (m) above, no intention to subordinate the first priority Lien granted in favor of the Administrative Agent and the Lenders is to be hereby implied or expressed by the permitted existence of such Excepted Liens and (ii) in the case of each of clauses (a) through (f), (h), (k), (l) and (n), such Liens do not secure Indebtedness for borrowed money.

"Excess Cash Flow" means, for any Fiscal Year, the excess, if any, of (a) the sum, without duplication, of (i) Consolidated Net Income for such Fiscal Year, (ii) the amount of all non-cash charges (including depreciation and amortization) deducted in determining such Consolidated Net Income, (iii) total interest expense for such Fiscal Year, to the extent deducted in determining Consolidated Net Income, (iv) tax expense for such Fiscal Year, to the extent deducted in determining Consolidated Net Income, (v) decreases in Working Capital for such Fiscal Year, and (vi) the aggregate net amount of non-cash loss on the disposition of property by the Parent and its Consolidated 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 Income, minus (b) the sum, without duplication, of (i) the amount of all non-cash credits included in arriving at such Consolidated Net Income, (ii) the aggregate amount actually paid by the Parent and its Consolidated Restricted Subsidiaries in cash during such Fiscal Year on account of Capital Expenditures (excluding the principal amount of Indebtedness incurred in connection with such expenditures and any such expenditures financed with the proceeds of asset dispositions that have not yet been used to pay down the Loans), (iii) the aggregate amount of all prepayments of Revolving Loans and Swingline Loans during such Fiscal Year to the extent accompanying permanent optional reductions of the Revolving Commitments and all optional prepayments of the Term Loans during such Fiscal Year, (iv) the aggregate amount of all regularly scheduled principal payments of long-term

Indebtedness (determined in accordance with GAAP, including the Term Loans) of the Parent and its Consolidated Restricted Subsidiaries made during such Fiscal Year (other than in respect of any revolving credit facility to the extent there is not an equivalent permanent reduction in commitments thereunder), (v) total interest expense during such Fiscal Year to the extent paid by Parent and its Consolidated Restricted Subsidiaries in cash, (vi) the aggregate amount of taxes of Parent and its Consolidated Restricted Subsidiaries paid in cash during such Fiscal Year, (vii) increases in Working Capital for such Fiscal Year, and (viii) the aggregate net amount of non-cash gain on the disposition of property by Parent and its Consolidated Restricted Subsidiaries during such Fiscal Year (other than sales of inventory in the ordinary course of business), to the extent included in determining such Consolidated Net Income.

"Excess Indebtedness Amount" has the meaning assigned to such term in the definition of "Prepayment Event".

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

"Exchange Rate" means, with respect to Euros or any Offshore Currency on a particular date, the rate at which Euros or such Offshore Currency may be exchanged into US Dollars, as set forth at 11:00 a.m., London time, on such date on the applicable currency page with respect to such Offshore Currency displayed by Bloomberg Information Service (or any successor thereto). If such rate does not appear on the applicable Bloomberg Information Service currency page, the Exchange Rate with respect to such Offshore Currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrower or, in the absence of such agreement, such Exchange Rate shall instead be the spot rate of exchange of the Administrative Agent in the London Interbank market or other market where its foreign currency exchange operations in respect of Euros or such Offshore Currency are then being conducted, at or about 11:00 a.m., London time, at such date for the purchase of US Dollars with Euros or such Offshore Currency, for delivery two Business Days later.

"Excluded Hedging Obligation" means, with respect to any Loan Party. individually determined on a Loan Party by Loan Party basis, any obligation owing by any Loan Party to any Secured Hedging Provider under a Hedging Agreement if, and 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 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 "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time such guarantee or grant of a security interest becomes effective with respect to such obligation.

"Excluded Subsidiary" means any Subsidiary (a) that is disregarded as an entity separate from its owner for U.S. federal income tax purposes, and (b) all the assets of which consist solely of Equity Interests in CFCs.

"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 or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 5.04(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.03, 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 5.03(g), and (d) any U.S. federal withholding Taxes under FATCA.

"EXH" means Exterran Holdings, Inc., a Delaware corporation.

"EXH Credit Agreement" means that certain Senior Secured Credit Agreement dated as of July 8, 2011 by and among EXH, as borrower, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent, as amended.

"Existing Credit Agreement" has the meaning assigned to such term in the recitals hereto.

"Existing Letters of Credit" means the letters of credit set forth on Schedule 1.02, together with any other Letters of Credit issued by an Issuing Bank pursuant to the EXH Credit Agreement on or before the Initial Availability Date, as approved by the Administrative Agent.

"Extended Expiry Letters of Credit" has the meaning assigned to such term in Section 2.07(a).

"Extended Term Loans" means any Term Loans the maturity of which shall have been extended pursuant to Section 2.09.

"Extension" has the meaning set forth in Section 2.09(a).

"Extension Offer" has the meaning set forth in Section 2.09(a).

"FASB" means 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 of such provisions 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.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Fee Letters" means, collectively, the Administrative Agent Fee Letter and those other certain letter agreements from each of the Joint Lead Arrangers (other than Wells Fargo Securities, LLC) to the Borrower dated October 5, 2015, concerning certain fees to be paid by the Borrower to each such Joint Lead Arranger in connection with this Agreement, as any of the same may be amended or replaced from time to time.

"Financial Officer" means, for any Person, the chief financial officer, principal accounting officer, treasurer or controller of such Person. Unless otherwise specified, all references herein to a Financial Officer means a Financial Officer of the Borrower.

"Financial Statements" means the financial statements of Parent most recently delivered pursuant to Section 8.01(a)(i) and, prior to the initial delivery of such financial statements pursuant to Section 8.01(a)(i), the financial statements of Parent for the Fiscal Year ended December 31, 2014.

"Fiscal Quarter" means a fiscal quarter of Parent.

"Fiscal Year" means a fiscal year of Parent.

"Flood Insurance Laws": collectively, (a) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (b) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statue thereto, (c) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto, (d) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto, and (e) all regulations promulgated by applicable Governmental Authorities pursuant to any of the foregoing.

"Foreign Credit Facility" means any debt facility (including, without limitation, any credit agreement or ABS facility), commercial paper facilities or secured capital markets financings of a Foreign Subsidiary that derives substantially all of its income from jurisdictions other than the United States of America, in each case with banks or other institutional lenders or institutional investors providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or secured capital markets financings, in each case, as the same may be amended, restated, modified, renewed, refunded, replaced or refinanced (including refinancing with any capital markets transaction) in whole or in part from time to time.

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

"Foreign Plan" means each employee pension benefit plan (within the meaning of Section 3(2) of ERISA, whether or not subject to ERISA) maintained primarily for employees residing outside of the United States of America, that is subject to any law in a non-U.S. jurisdiction and is maintained or contributed to by any Loan Party or any Subsidiary.

"Foreign Subsidiary" means each direct or indirect Restricted Subsidiary that is organized under the laws of any jurisdiction other than the United States of America, any State thereof, or the District of Columbia, and any Restricted Subsidiary of any Foreign Subsidiary, whether or not such Restricted Subsidiary is organized under the laws of the United States of America, any State thereof, or the District of Columbia.

"GAAP" means generally accepted accounting principles in the United States of America as in effect from time to time, subject to the terms and conditions set forth in Section 1.05.

"Governmental Authority" means the government of the United States of America 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).

"Governmental Requirement" means any law, statute, code, ordinance, order, determination, rule, regulation, judgment, decree, injunction, franchise, permit, certificate, license, authorization or other binding directive or requirement of any Governmental Authority, whether now or hereinafter in effect, including Environmental Laws, energy regulations and occupational, safety and health standards or controls, of any Governmental Authority.

"Group Members" means, collectively, Parent and its Restricted Subsidiaries.

"Guarantors" means, collectively, (a) Parent, (b) each Significant Domestic Subsidiary that is a party to the Guaranty and Collateral Agreement on the Initial Availability Date, (c) each Significant Domestic Subsidiary that guarantees the Secured Obligations after the Initial Availability Date pursuant to Section 8.06 and (d) any other Person that voluntarily becomes a Guarantor, in each case other than those released from their obligations under the Guaranty and Collateral Agreement pursuant to Section 8.06(c) or otherwise in accordance with the terms hereof.

"Guaranty and Collateral Agreement" means the Guaranty and Collateral Agreement to be dated as of the Initial Availability Date and executed by the Loan Parties in favor of the Administrative Agent.

"Hazardous Materials" means any substances, wastes or materials (a) which are toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic hazardous or otherwise harmful to public health or the environment and are regulated by any Governmental Authority under any Environmental Law, (b) the presence of which require investigation or remediation under any Environmental Law, (c) the discharge, disposal, emission or Release of which requires a permit or license under any Environmental Law or other Governmental Approval, (d) which are deemed by a Governmental Authority pursuant to Environmental Laws to pose a health or safety hazard to Persons or properties or (e) which contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, hydrogen sulfide, naturally occurring radioactive material, petroleum derived waste, crude oil, nuclear fuel, natural gas or synthetic gas.

"Hedging Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement, whether exchange traded, "over-the-counter" or otherwise, 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 Parent or any of its Subsidiaries shall be a Hedging Agreement.

"Highest Lawful Rate" means, with respect to each Lender, the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the Loans or on other Obligations under laws applicable to such Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws allow as of the date hereof.

"Indebtedness" means, for any Person the sum of the following (without duplication): (a) all obligations of such Person (whether created or assumed) for borrowed money or evidenced by bonds, debentures, notes or other similar instruments; (b) all obligations of such Person (whether contingent or otherwise) in respect of bankers' acceptances, letters of credit, surety or other bonds and similar instruments; (c) all obligations of such Person to pay the deferred purchase price of Property or services (excluding trade and accounts payable incurred in the ordinary course of business that are not more than sixty (60) days past due or which are being contested in good faith by appropriate action and for which adequate reserves have been maintained in accordance with GAAP and accrued pension costs and other employee benefit and compensation obligations arising in the ordinary course of business); (d) all Capital Lease Obligations in respect of which such Person is liable (whether contingent or otherwise) and all Attributable Debt in respect of sale and leaseback transactions not involving a Capital Lease Obligation; (e) all Indebtedness (as described in the other clauses of this definition) of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided that the amount of Indebtedness for purposes of this clause (e) shall be an amount equal to the lesser of the unpaid amount of such Indebtedness and the fair market value of the encumbered Property; (f) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position of others or to purchase the Indebtedness of others; (g) all Indebtedness (as described in the other clauses of this definition) of others guaranteed by such Person or in respect of which such Person otherwise assures a creditor against loss; (h) Disqualified Capital Stock of such Person; (i) any Indebtedness (as described in the other clauses of this definition) of a partnership for which such Person is liable either by agreement or because of a Governmental Requirement but only to the extent of the maximum liability of such Person under such agreement or Governmental Requirement; and (j) all net mark to market obligations of such Person under Hedging Agreements; provided that any agreement by the Borrower or any Restricted Subsidiary to repurchase equipment in a Permitted Sale for Lease Transaction at a price not greater than its fair market value shall not constitute Indebtedness. Notwithstanding the foregoing and for the avoidance of doubt, the term "Indebtedness" does not include (i) endorsements of checks, bills of exchange and other instruments for deposit or collection in the ordinary course of business and such other obligations owed on a short-term basis to banks and other financial institutions incurred in connection with ordinary banking arrangements to manage cash balances of such Person; (ii) taxes, assessments or other similar governmental charges or claims; (iii) any obligation arising from any agreement providing for indemnities, purchase price adjustments, holdbacks, contingency payment obligations based on the performance of the acquired or Disposed of assets or similar obligations (other than (x) guarantees of Indebtedness and (y) any such obligations that will become non-contingent obligations solely as a result of the passage of time and are reflected as current liabilities on the balance sheet of such Person (the obligations described in this clause (y) being referred to as "Specified Contingent Obligations")) incurred by the specified Person in connection with the acquisition or Disposition of assets and (iv) any obligation arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided that such obligation is extinguished within five Business Days of its incurrence.

The term "Indebtedness" also excludes any repayment or reimbursement obligation of such Person or any of its Restricted Subsidiaries with respect to Customary Recourse Exceptions, unless and until an event or circumstance occurs that triggers the Person's or such Restricted Subsidiary's direct repayment or reimbursement obligation (as opposed to contingent or performance obligations) to the lender or other Person to whom such obligation is actually owed, in which case the amount of such direct payment or reimbursement obligation shall constitute Indebtedness.

"Indemnified Parties" has the meaning assigned to such term in Section 12.03(a)(ii).

"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.

"Index Indebtedness" means senior, unsecured, long-term indebtedness for borrowed money of Parent.

"Information Memorandum" means the Confidential Information Memorandum dated June 16, 2015 relating to the Borrower and the Transactions.

"Initial Availability Date" means the date on which the conditions specified in Section 6.02 are satisfied (or waived in accordance with Section 12.02).

"Interest Coverage Ratio" means, as of the last day of any Testing Period, the ratio of (a) EBITDA for such Testing Period to (b) Total Interest Expense for such Testing Period.

"Interest Election Request" means a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.04.

"Interest Payment Date" means (a) with respect to any ABR Loan, the last day of each March, June, September and December, (b) with respect to any LIBOR Loan or EURIBOR 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 LIBOR Borrowing or EURIBOR 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 and (c) with respect to a Swingline Loan, the day that such Loan is required to be repaid pursuant to Section 2.08(a).

"Interest Period" means with respect to any LIBOR Borrowing or EURIBOR Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months (or, with the consent of each Lender, twelve months) thereafter, as the Borrower may elect; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (c) no Interest Period for any Revolving Loan may end after the Revolving Maturity Date and no Interest Period for any Term Loan may end after the Term Loan Maturity Date. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Interpolated Screen Rate" means, with respect to any LIBOR Loan for any Interest Period or any EURIBOR Loan for any Interest Period, a rate per annum that results from interpolating on a linear basis between (a) the applicable Screen Rate for the longest maturity for which a Screen Rate is available that is shorter than such Interest Period and (b) the applicable Screen Rate for the shortest maturity for which a Screen Rate is available that is longer than such Interest Period, in each case as of the Specified Time on the Quotation Day.

"Investment" means, as applied to any Person, any direct or indirect (a) purchase or other acquisition by such Person of any Equity Interests, Indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of any other Person, (b) loan or advance made by such Person to any other Person, (c) guarantee, assumption or other incurrence of liability by such Person of or for any Indebtedness of any other Person, (d) capital contribution or other investment by such Person in any other Person or (e) purchase or other acquisition (in one transaction or a series of transactions) of any assets of any other Person constituting a business unit. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment or interest earned on such Investment. The term "Investment" shall exclude extensions of trade credit by Parent and its Subsidiaries on commercially reasonable terms in accordance with normal trade practices of Parent or the applicable Subsidiary, as the case may be.

"Investment Grade Rating" means, with respect to the Borrower's Index Indebtedness, (a)(i) a rating of Baa3 or better by Moody's or a rating of BBB- or better by S&P and (ii) a rating no lower than one notch below the minimum rating specified in clause (a)(i) of this definition from the other agency, and (b) a stable outlook or better from both Moody's and S&P.

"IRS" means the United States Internal Revenue Service.

"Issuing Bank" means each of Wells Fargo Bank, National Association, Crédit Agricole Corporate and Investment Bank, Bank of America, N.A., Citibank, N.A., Royal Bank of Canada, The Bank of Nova Scotia and any other Revolving Lender that agrees to issue Letters of Credit hereunder (as designated by the Borrower and approved by the Administrative Agent in its reasonable discretion), in each case in its capacity as an issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.07(f), other than any such Person that ceases to be an Issuing Bank pursuant to Section 2.07(g). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Bank, in which case the term "Issuing Bank" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"Joint Bookrunners" means, collectively, Wells Fargo Securities, LLC and Crédit Agricole Corporate and Investment Bank in their capacity as joint bookrunners hereunder.

"Joint Lead Arrangers" means, collectively, Wells Fargo Securities, LLC, Crédit Agricole Corporate and Investment Bank, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., and RBC Capital Markets, LLC in their capacity as joint lead arrangers hereunder.

"Joint Venture" means (a) a joint venture with a third party so long as such entity would not constitute a Subsidiary or (b) a Subsidiary formed with the intention of establishing a joint venture; provided that if such entity still constitutes a Subsidiary ninety (90) days after formation it shall no longer constitute a Joint Venture; provided, that in the case of (a) or (b), all Investments by Parent, the Borrower or any Restricted Subsidiary are made pursuant to and are permitted by Section 9.03(g) or Section 9.03(i).

"Joint Venture Obligations" means, with respect to any Joint Venture owned in part by any Loan Party or any Restricted Subsidiary, (a) obligations owed by such Loan Party or Restricted Subsidiary to the other holders of the Equity Interests in such Joint Venture (other than a holder that is an Affiliate of a Loan Party or any Restricted Subsidiary) and (b) Indebtedness of such Joint Venture that is non-recourse to any Loan Party or any Restricted Subsidiary or to any Property of any Loan Party or Restricted Subsidiary other than the Equity Interests in such Joint Venture.

"Judgment Currency" has the meaning assigned to such term Section 12.18(b).

"LC Disbursement" means a payment made by any Issuing Bank pursuant to a Letter of Credit.

"LC Exposure" means, at any time, the sum of (a) the US Dollar Equivalent of the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the US Dollar Equivalent of the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Revolving Percentage of the total LC Exposure at such time.

"LC Issuance Limit" means, with respect to each Issuing Bank, the amount set forth on Schedule 1.02(b) opposite such Issuing Bank's name.

"Lenders" means the Persons listed in Annex I hereto and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption or as an Additional Revolving Lender pursuant to Section 2.06(c), other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. The term "Lenders" shall include both the Term Loan Lenders and the Revolving Lenders, and, unless the context otherwise requires, the term "Lenders" includes the Swingline Lender.

"Letter of Credit" means each Existing Letter of Credit and any letter of credit issued pursuant to this Agreement, and shall include Offshore Currency Letters of Credit.

"Letter of Credit Agreements" means all letter of credit applications and other agreements submitted by the Borrower to, or entered into by the Borrower with, any Issuing Bank relating to any Letter of Credit.

"Letter of Credit Request" means a request by the Borrower for the issuance, amendment, renewal or extension, as the case may be, of a Letter of Credit by any Issuing Bank in accordance with Section 2.07(b), which shall be in any form approved by or acceptable to such Issuing Bank.

"LIBO Rate" means, with respect to any LIBOR Borrowing for any Interest Period, the applicable Screen Rate as of the Specified Time on the Quotation Day.

"LIBOR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

"Lien" means any interest in Property securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on the common law, statute or contract, and whether such obligation or claim is fixed or contingent, and including but not limited to the lien or security interest arising from a mortgage, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes.

The term "Lien" shall include reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases and other encumbrances affecting Property, and for the avoidance of doubt, the term "Lien" shall not include any interest of a third party owner of any Property being leased to a Loan Party pursuant to an operating lease for which a precautionary UCC financing statement has been filed and which filing only covers the Property subject of such lease. For the purposes of this Agreement, Parent or any Subsidiary shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement, or leases under a financing lease or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person in a transaction intended to create a financing.

"Limited Recourse Equity Pledge" means the pledge of Equity Interests in any Unrestricted Subsidiary or Joint Venture to secure Non-Recourse Indebtedness of such Unrestricted Subsidiary or Joint Venture, as applicable, pursuant to an agreement that expressly states that the pledgee shall have no recourse to the pledgor or any of its assets or revenues under any circumstance other than recourse to the Equity Interests of the Unrestricted Subsidiary or Joint Venture, as applicable, that are described in such pledge.

"Loan Documents" means this Agreement, the Notes, the Letter of Credit Agreements, the Commitment Increase Certificates, the Additional Revolving Lender Certificates, the Letters of Credit, the Fee Letters, the Security Instruments, any Term Loan Refinancing Intercreditor Agreement and each consent, waiver, subordination agreement, intercreditor agreement, Compliance Certificate, Borrowing Request, Letter of Credit Request or Interest Election Request executed by the Borrower pursuant to this Agreement.

"Loan Parties" means the Borrower and the Guarantors.

"Loans" means the Revolving Loans, Term Loans and the Swingline Loans.

"Majority Lenders" means (a) at any time when no Loans are outstanding or LC Exposure is outstanding, Lenders having at least a majority of the sum of (i) the Aggregate Revolving Commitments and (ii) the total Term Loan Commitments, and (b) at any time when any Loans are outstanding or any LC Exposure is outstanding, Lenders having more than 50% of the sum of (i) the outstanding aggregate principal amount of the Loans and participation interests in Letters of Credit (without regard to any sale by a Lender of a participation in any Loan under Section 12.04(d)) and (ii) the unused Revolving Commitments; provided that the Commitment of, and the principal amount of Loans of, any Defaulting Lender shall be excluded from the determination of Majority Lenders to the extent set forth in Section 4.03(c)(ii).

"Majority Revolving Lenders" means (a) at any time when no Revolving Loans are outstanding or LC Exposure is outstanding, Revolving Lenders having at least a majority of the Aggregate Revolving Commitments, and (b) at any time when any Revolving Loans are outstanding or any LC Exposure is outstanding, Revolving Lenders having Revolving Credit Exposures representing more than 50% of the Total Revolving Credit Exposure; provided that the Revolving Commitment of, and the Revolving Credit Exposure of, any Defaulting Lender shall be excluded from the determination of Majority Revolving Lenders to the extent set forth in Section 4.03(c)(ii).

"Manufactured (Mobile) Home" has the meaning assigned to such term in the applicable Flood Insurance Law.

"Material Adverse Effect" means any material and adverse effect on (a) the assets, liabilities, financial condition, business or operations of Parent and its Restricted Subsidiaries, taken as a whole, as reflected in the Financial Statements after eliminating the financial condition and results of the Unrestricted Subsidiaries, or (b) the ability of the Borrower and the other Loan Parties, taken as a whole, to perform their obligations under the Loan Documents in accordance with the terms thereof.

"Mirror Notes" means certain intercompany debt owing by the Borrower to Exterran General Holdings LLC and by Exterran General Holdings LLC to EXH.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto that is a nationally recognized rating agency.

"Mortgage" means each mortgage, deed of trust or any other document creating and evidencing a Lien on real or immovable Property to secure the Secured Obligations, which shall be in a form reasonably satisfactory to the Administrative Agent.

"Multiemployer Plan" means a Plan which is a multiemployer plan as defined in Section 3(37) or 4001(a)(3) of ERISA.

"Net Proceeds" means, with respect to any Prepayment Event, (a) the cash proceeds received in respect of such Prepayment 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, net of (b) the sum of (i) all reasonable fees and out-of-pocket expenses paid to third parties (other than Affiliates) in connection with such event (including, in the case of a Prepayment Event of the type described in clause (c) or (d) of the definition thereof, reasonable investment banking fees and reasonable underwriting discounts and commissions), (ii) in the case of a sale, transfer or other disposition of an asset (including pursuant to a sale and leaseback transaction or a casualty or a condemnation or similar proceeding), the amount of all payments required to be made as a result of such event to repay Indebtedness (other than Loans) secured by such asset or otherwise subject to mandatory prepayment as a result of such event and (iii) the amount of all taxes paid (or reasonably estimated to be payable) and the amount of any reserves established to fund contingent liabilities reasonably estimated to be payable, in each case during the year that such event occurred or the next succeeding year and that are directly attributable to such event (as determined reasonably and in good faith by a Financial Officer).

"Non-Defaulting Lender" means, at any time, each Revolving Lender that is not a Defaulting Lender at such time.

"Non-Mortgaged Real Property" has the meaning assigned to such term in Section 8.06(a).

"Non-Recourse Indebtedness" means Indebtedness of any Subsidiary or Joint Venture:

(a) as to which neither Parent nor any Restricted Subsidiary (i) provides credit support of any kind (including any guaranty, undertaking, agreement or instrument that would constitute Indebtedness), other than a Limited Recourse Equity Pledge, (ii) is directly or indirectly liable as a guarantor or otherwise or (iii) is the lender; and

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

"Non-Recourse Foreign Indebtedness" means Indebtedness of any Foreign Subsidiary as to which neither Parent nor any Domestic Subsidiary (a) provides credit support of any kind (including any guaranty, undertaking, agreement or instrument that would constitute Indebtedness), other than a Limited Recourse Equity Pledge, (b) is directly or indirectly liable as a guarantor or otherwise or (c) is the lender.

"Notes" means the Revolving Notes and the Term Loan Notes, or any of them, as the context requires.

"Notifying Lender" means any Lender that notifies Administrative Agent and the Borrower in writing or made a public statement that its failure to fund all or any portion of its Loans is the result of such Lender's determination that one or more conditions precedent to funding has not been satisfied in accordance with clauses (a) or (b) of the definition of "Defaulting Lender" contained in Section 1.01.

"Obligations" means, without duplication, any and all amounts owing by any Loan Party or any Restricted Subsidiary to the Administrative Agent, any Issuing Bank or any Lender under any Loan Document (including interest accruing at any post-default rate and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to any Loan Party or any Restricted Subsidiary, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding).

"OFAC" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"Offshore Currency" means any lawful currency (other than US Dollars and Euros) that the relevant Issuing Bank with respect to any Offshore Currency Letter of Credit, in its sole reasonable opinion, at any time determines to be (a) freely traded in the offshore interbank foreign exchange markets, (b) freely transferable and (c) freely convertible into US Dollars.

"Offshore Currency Letter of Credit" means any Letter of Credit denominated in an Offshore Currency.

"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-US jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and the operating agreement or limited liability company agreement (or equivalent or comparable constitutive documents with respect to any non-US jurisdiction); 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 (or equivalent or comparable constitutive documents with respect to any non-US jurisdiction).

"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 Loan, Commitment or Loan Document).

"Other Taxes" means all present or future stamp 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 5.04(b)).

"Parent" has the meaning assigned to such term in the preamble hereto.

"Participant Register" has the meaning assigned to such term in Section 12.04(d).

"Payment in Full" means all of the Commitments have expired or been terminated and the principal of all Loans hereunder, all interest thereon and all other amounts payable by the Borrower hereunder and under the other Loan Documents (other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made at the time of determination) have been paid in full and all Letters of Credit have expired or terminated (unless cash collateralized in accordance with Section 2.07(a) or unless other arrangements satisfactory to the applicable Issuing Banks have been made with respect thereto).

"PBGC" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"Permitted Liens" has the meaning assigned to such term in Section 9.02.

"Permitted Refinancing Indebtedness" means Indebtedness (for purposes of this definition, "new Indebtedness") incurred in exchange for, or proceeds of which are used to extend, refinance, renew, redeem, replace, defease, discharge, refund or otherwise retire for value, in whole or in part, any other Indebtedness (the "Refinanced Indebtedness"); *provided* that (a) such new Indebtedness is in an aggregate principal amount not in excess of the sum of (i) the aggregate

principal amount then outstanding of the Refinanced Indebtedness (or, if the Refinanced Indebtedness is exchanged or acquired for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration thereof, such lesser amount) and (ii) an amount necessary to pay all accrued (including, for purposes of defeasance, future accrued) and unpaid interest on the Refinanced Indebtedness and any fees and expenses, including premiums, related to such exchange or refinancing; (b) such new Indebtedness has a stated maturity no earlier than the sooner to occur of (i) the date that is 91 days after the Revolving Maturity Date (as in effect on the date of incurrence of such new Indebtedness) and (ii) the stated maturity of the Refinanced Indebtedness; (c) such new Indebtedness has a Weighted Average Life to Maturity at the time such new Indebtedness is incurred no shorter than the shorter of (i) the period beginning on the date of incurrence of such new Indebtedness and ending on the date that is 91 days after the Revolving Maturity Date (as in effect on the date of incurrence of such new Indebtedness) and (ii) the Weighted Average Life to Maturity of the Refinanced Indebtedness at the time such new Indebtedness is incurred; and (d) if the Refinanced Indebtedness was subordinated in right of payment to the Secured Obligations or the guarantees under the Guaranty and Collateral Agreement, such new Indebtedness (and any guarantees thereof) is subordinated in right of payment to the Secured Obligations (or, if applicable, the guarantees under the Guaranty and Collateral Agreement) to at least the same extent as the Refinanced Indebtedness.

"Permitted Sale for Lease Transaction" means a transaction involving (a) a sale by Parent or a Restricted Subsidiary of equipment to a financial institution that in turn leases such assets to its customer and (b) an agreement by Parent or a Restricted Subsidiary to repurchase such equipment from such financial institution (or any of its successor and assigns) upon the occurrence of certain events.

"Permitted Term Loan Refinancing Indebtedness" means secured Indebtedness (for purposes of this definition, "new Indebtedness") incurred in exchange for, or proceeds of which are used to refinance, renew, redeem, replace, defease, discharge, refund or otherwise retire for value the Term Loans; provided that (a) such new Indebtedness is in an aggregate principal amount not in excess of the sum of (i) the aggregate principal amount of the Term Loans outstanding on the date such new Indebtedness is incurred and (ii) an amount necessary to pay all accrued (including, for purposes of defeasance, future accrued) and unpaid interest on the Term Loans and any fees and expenses, including premiums, owing or incurred in connection with such exchange or refinancing; (b) after giving effect to the incurrence of such Indebtedness and the use of proceeds thereof, the Term Loans will be repaid in full; (c) such new Indebtedness has a stated maturity no earlier than the date that is six months after the Revolving Maturity Date; (d) such new Indebtedness is secured solely by Liens on Collateral which Liens are junior to or pari passu with the Liens securing the Secured Obligations and which Liens are subject to the terms and conditions of the Term Loan Refinancing Intercreditor Agreement; (e)(1) such Indebtedness does not contain financial covenants that are additional to or are more restrictive than those contained herein and (2) in the reasonable judgment of a Financial Officer of the Borrower, such Indebtedness does not contain other covenants and events of default that are materially more restrictive, taken as a whole, than those contained herein and (f) the terms of such Indebtedness do not require any scheduled amortization of principal in excess of five percent (5.0%) of the original principal amount thereof per annum.

"Permitted Term Loan Refinancing Indebtedness Documents" means, collectively, any credit or term loan agreement governing Permitted Term Loan Refinancing Indebtedness, all guarantees of Permitted Term Loan Refinancing Indebtedness, and all other agreements, documents or instruments executed and delivered by Parent, the Borrower or any Restricted Subsidiary in connection with, or pursuant to, the incurrence of Permitted Term Loan Refinancing Indebtedness, as all of such documents are from time to time amended, supplemented or restated in compliance with the Loan Documents, including this Agreement and the Term Loan Refinancing Intercreditor Agreement.

"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 Sections 412 and 430 of the Code or Section 302 of ERISA, and in respect of which any Loan Party 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.

"Pledge Agreement" means the Pledge Agreement to be dated as of the Initial Availability Date and executed by the pledgors from time to time party thereto in favor of the Administrative Agent.

"Pledgors" has the meaning assigned to such term in the Pledge Agreement, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

"Post-Default Rate" means, in respect of any amount payable by the Borrower under this Agreement or any other Loan Document (other than principal of any Loan), a rate per annum equal to 2% per annum above the LIBO Rate for LIBOR Borrowings with an Interest Period of one month as in effect from time to time plus the Applicable Margin (if any) for Revolving Loans then in effect, but in no event to exceed the Highest Lawful Rate; provided, however, if any amount of principal of any Loan is not paid when due, the "Post-Default Rate" for such principal amount shall be 2% per annum above the interest rate for such Loan as provided in Section 3.02, but in no event to exceed the Highest Lawful Rate.

"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 Group Member pursuant to Section 9.11(m) or that is not otherwise permitted by Section 9.11; (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 Group Member; (c) the issuance by Parent of any Equity Interests, or the receipt by Parent of any capital contribution; (d) the incurrence by any Group Member of (i) any Indebtedness pursuant to Section 9.01(f) or Section 9.01(m), (ii) any Indebtedness for borrowed money pursuant to Section 9.01(j) to the extent that the principal amount thereof, when aggregated with the principal amount of all other Indebtedness for borrowed money incurred in reliance on such Section 9.01(j) and outstanding at such time, exceeds $10,000,000 (such excess amount, the "Excess Indebtedness Amount") or (iii) any Indebtedness that is not otherwise permitted by Section 9.01; provided that the foregoing shall not be deemed to permit any sale, transfer or other disposition or to the incurrence of any Indebtedness, in each case not otherwise permitted by this Agreement. For the avoidance of doubt, payments made by the Borrower to AROC Corp. pursuant to Sections 9.7 and 9.8 of the Separation and Distribution Agreement shall not constitute a Prepayment Event.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. Such rate is set by the Administrative Agent as a general reference rate of interest, taking into account such factors as the Administrative Agent may deem appropriate; it being understood that many of the Administrative Agent's commercial or other loans are priced in relation to such rate, that it is not necessarily the lowest or best rate actually charged to any customer and that the Administrative Agent may make various commercial or other loans at rates of interest having no relationship to such rate.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including cash, securities, accounts and contract rights.

"Purchase Money Indebtedness" means Indebtedness, the proceeds of which are used to finance the acquisition, construction or improvement of inventory, equipment or other property.

"Qualified Capital Raise" means any one or more Qualified Unsecured Indebtedness Offerings and/or any one or more Qualified Equity Issuances resulting in aggregate gross cash proceeds (from all such Qualified Unsecured Indebtedness Offerings and Qualified Equity Issuances) equal to or exceeding $250,000,000, so long as upon the completion of all such Qualified Unsecured Indebtedness Offerings and Qualified Equity Issuances, after giving effect thereto and the use of proceeds thereof, no Term Loans shall remain outstanding.

"Qualified Equity Issuance" means one or more issuances by Parent, whether in a public or private transaction, of Equity Interests that do not constitute Disqualified Capital Stock.

"Qualified Unsecured Indebtedness Offering" means the incurrence or issuance by the Borrower, in one or more offerings, of unsecured Indebtedness pursuant to the terms of Section 9.01(f).

"Quotation Day" means, with respect to any Loan or Borrowing in any currency for any Interest Period, the day two Business Days prior to the first day of such Interest Period, in each case unless market practice differs for loans denominated in the same currency as the applicable Loans priced by reference to rates quoted in the Relevant Interbank Market, in which case the Quotation Day for such currency shall be determined by the Administrative Agent in accordance with market practice for such loans priced by reference to rates quoted in the Relevant Interbank Market (and if quotations would normally be given by leading banks for such loans priced by reference to rates quoted in the Relevant Interbank Market on more than one day, the Quotation Day shall be the last of those days).

"Recipient" means (a) the Administrative Agent, (b) any Lender or (c) any Issuing Bank, as applicable.

"Refinanced Indebtedness" has the meaning assigned to such term in the definition of "Permitted Refinancing Indebtedness".

"Register" has the meaning assigned to such term in Section 12.04(c).

"Regulation D" means Regulation D of the Board, as the same may be amended, supplemented or replaced from time to time.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, representatives, trustees, agents and advisors (including attorneys, accountants and experts) of such Person and such Person's Affiliates.

"Release" means any spilling, leaking, pumping, pouring, placing, emitting, discarding, abandoning, emptying, emitting, discharging, depositing, migrating, injecting, escaping, leaching, dumping or disposing or other release into the environment (including surface land, substrata, air, surface water, ground water and abandonment or disposal of any containers containing Hazardous Materials) or movement of any Hazardous Material through such environment, whether or not intentional or knowingly.

"Relevant Interbank Market" means (a) with respect to US Dollars, the London interbank market and (b) with respect to Euros, the European interbank market.

"Replacement Term Loan" means (a) Permitted Term Loan Refinancing Indebtedness or (b) any other Indebtedness for borrowed money obtained by any Group Member (other than a senior revolving credit facility that does not include a term loan tranche) that is secured by a Lien on any Property of any Group Member.

"Responsible Officer" means, as to any Person, the chief executive officer, the president, any Financial Officer or any vice president of such Person. Unless otherwise specified, all references to a Responsible Officer herein means a Responsible Officer of the Borrower.

"Restricted Payment" has the meaning assigned to such term in Section 9.04.

"Restricted Person" has the meaning assigned to such term in Section 12.11.

"Restricted Subsidiaries" means the Borrower and all other Subsidiaries of Parent that are not Unrestricted Subsidiaries.

"Revolving Borrowing" means Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of LIBOR Loans or EURIBOR Loans, as to which a single Interest Period is in effect.

"Revolving Commitment" mean, with respect to each Revolving Lender, the amount set forth opposite such Lender's name on Annex I hereto under the caption "Revolving Commitment", or in the Assignment and Assumption or other documentation contemplated hereby pursuant to which such Lender shall have assumed its Revolving Commitment, as applicable, as the same may be (a) reduced or terminated from time to time in connection with a reduction or termination of the Aggregate Revolving Commitments pursuant to Section 2.06(b), (b) increased from time to time pursuant to Section 2.06(c) or (c) reduced or increased from time to time pursuant to any assignment permitted by Section 12.04.

"Revolving Commitment Fee" has the meaning assigned to such term in Section 3.05(a).

"Revolving Commitment Increase Certificate" has the meaning assigned to such term in Section 2.06(c)(ii)(F).

"Revolving Credit Exposure" means, with respect to any Lender at any time, the sum of (a) the Dollar Equivalent of the aggregate principal amount of such Lender's Revolving Loans at such time, plus (b) such Lender's LC Exposure at such time, plus (c) such Lender's Swingline Exposure at such time.

"Revolving Lenders" means the Persons listed in Annex I hereto as having a Revolving Commitment and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption or as an Additional Revolving Lender pursuant to Section 2.06(c), other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"Revolving Loan" has the meaning assigned to such term in Section 2.01(a). For the avoidance of doubt, the term "Revolving Loan" does not include Swingline Loans.

"Revolving Maturity Date" means the date that is five (5) calendar years following the Initial Availability Date. The Administrative Agent shall set forth such date in the notice of the occurrence of the Initial Availability Date delivered by Administrative Agent to the Borrower and the Lenders in accordance with Section 6.02.

"Revolving Note" means a promissory note of the Borrower in favor of a Lender evidencing the Revolving Loans made by such Lender, substantially in the form of Exhibit A-1.

"S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor thereto that is a nationally recognized rating agency.

"Sanctioned Country" means, at any time, a country or territory that is itself, or whose government is, the subject or target of any Sanctions (including, at the time of this Agreement, Cuba, Iran, North Korea, Sudan, Syria and the territory of Crimea in Ukraine).

"Sanctioned Person" means (a) a Person named on the list of "Specially Designated Nationals and Blocked Persons" maintained by OFAC available at http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx, or as otherwise published from time to time, (b) a Person named on the Sanctioned Entities List maintained by the U.S. Department of State available at http://www.state.gov, or as otherwise published from time to time, (c) a Person named on the lists maintained by the United Nations Security Council available at http://www.un.org/sc/committees/list_compend.shtml, or as otherwise published from time to time, (d) a Person named on the lists maintained by the European Union available at http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm, or as otherwise published from time to time, (e) a Person named on the lists maintained by Her Majesty's Treasury available at http://www.hm-treasury.gov.uk/fin_sanctions_index.htm, or as otherwise published from time to time, (f) any Person operating, organized or resident in a Sanctioned Country or (g) any Person owned or controlled by any such Persons described in the foregoing clauses (a) through (f).

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or Her Majesty's Treasury of the United Kingdom.

"Screen Rate" means (a) in respect of the LIBO Rate for any Interest Period, a rate per annum equal to the London interbank offered rate as administered by the ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for deposits in US Dollars (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period as set forth by Bloomberg Information Service or any successor thereto on the applicable page of such service, and (b) in respect of the EURIBO Rate for any Interest Period, the rate per annum determined by the Banking Federation of the European Union (or any other Person that takes over the administration of such rate) for deposits in Euros for such Interest Period as set forth by Bloomberg Information Service or any successor thereto on the applicable page of such service; provided that for the purposes of determining the Screen Rate for any Revolving Loan or Swingline Loan, if any Screen Rate shall be less than zero, such rate shall be deemed to be zero for all such purposes; provided further that for purposes of determining the applicable Screen Rate for any Term Loan, if the Screen Rate shall be less than one percent (1.0%), then the Screen Rate shall be deemed to be one percent (1.0%) for all such purposes. If, as to any currency, no Screen Rate shall be available for a particular Interest Period but Screen Rates shall be available for maturities both longer and shorter than such Interest Period, than the Screen Rate for such Interest Period shall be the Interpolated Screen Rate.

"SEC" means the Securities and Exchange Commission or any successor Governmental Authority.

"Secured Hedging Provider" means any Person that is party to a Hedging Agreement with Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) that entered into such Hedging Agreement while such Person was, or before such Person became, a Lender or an Affiliate of a Lender, as the case may be; provided that such Person shall not be a Secured Hedging Provider as to any amounts owing in respect of any additional transactions or confirmations under such Hedging Agreement entered into after such Secured Hedging Provider ceases to be a Lender or an Affiliate of a Lender.

"Secured LC Provider" means any Person that is party to a letter of credit facility permitted under Section 9.01(t) with Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) that entered into such letter of credit facility while such Person was, or before such Person became, a Lender or Affiliate of a Lender, as the case may be; provided that if such Person at any time ceases to be a Lender or an Affiliate of a Lender, as the case may be, such Person shall remain a Secured LC Provider for 365 days after such time (and after 365 days after such time, such Person shall no longer be a Secured LC Provider).

"Secured Obligations" means, collectively, (a) the Obligations, (b) all existing or future payment and other obligations owing by Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) to any Secured Hedging Provider under a Hedging Agreement; (c) all existing or future payment and other obligations owing by Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) to any Secured Treasury Management Counterparty under a Treasury Management Agreement, and (d) all existing or future payment and other obligations owing by Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) to any Secured LC Provider in respect of any letter of credit facility permitted under Section 9.01(t); provided, however, that the term "Secured Obligations" excludes any Excluded Hedging Obligations.

"Secured Parties" means, collectively, the Administrative Agent, each Issuing Bank, each Lender, each Secured Hedging Provider, each Secured Treasury Management Counterparty and each Secured LC Provider.

"Secured Treasury Management Counterparty" means any Person that is party to a Treasury Management Agreement with Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) that entered into such Treasury Management Agreement while such Person was, or before such Person became, a Lender or Affiliate of a Lender, as the case may be; provided that if such Person at any time ceases to be a Lender or an Affiliate of a Lender, as the case may be,

such Person shall remain a Secured Treasury Management Counterparty for 180 days after such time (and after 180 days after such time, such Person shall no longer be a Secured Treasury Management Counterparty).

"Security Instruments" means the Guaranty and Collateral Agreement, the Pledge Agreement, the Mortgages and the other agreements, instruments or certificates described or referred to in Exhibit F, and any and all other agreements and instruments now or hereafter executed and delivered by the Borrower or any other Person (other than Hedging Agreements with the Lenders or any Affiliate of a Lender or participation or similar agreements between any Lender and any other lender or creditor with respect to any Secured Obligations pursuant to this Agreement or any Treasury Management Agreement) granting a Lien upon any Property as security for the payment or performance of the Secured Obligations.

"Senior Secured Indebtedness" means all Indebtedness included in the calculation of Total Indebtedness (including the Secured Obligations to the extent included in the calculation of Total Indebtedness) that is secured and that is not expressly subordinated by its terms to the Secured Obligations.

"Senior Secured Leverage Ratio" means, as of the last day of any Testing Period, the ratio of Senior Secured Indebtedness as of such date to EBITDA for such Testing Period.

"Separation and Distribution Agreement" means that certain Separation and Distribution Agreement described on Schedule 1.01(a) attached hereto, in the form delivered and certified to the Lenders pursuant to Section 6.01(c), as modified from time to time prior to the Initial Availability Date to the extent permitted under Section 6.02(a)(vii).

"Separation Documents" means, collectively, those agreements set forth on Schedule 1.01(a), in each case, in the forms delivered and certified to the Lenders pursuant to Section 6.01(c), as modified from time to time prior to the Initial Availability Date to the extent permitted under Section 6.02(a)(vii).

"Separation Transaction" means the publicly announced separation of EXH's international contract operations, international aftermarket services and global fabrication businesses, to be effected pursuant to the Separation Documents by the distribution by EXH to its shareholders of 100% of the outstanding shares of Parent's common stock. As a result of such distribution, Parent shall become a publicly traded company whose stock is traded on a recognized national stock exchange.

"Significant Domestic Subsidiary" means at any time, (a) each Wholly-Owned Domestic Subsidiary the value of whose Specified US Assets as of the last day of the most recently ended Fiscal Year for which financial statements are available exceeds $50,000,000 individually, (b) each Wholly-Owned Domestic Subsidiary (excluding any ABS Subsidiary) that guarantees any other third-party Indebtedness in a principal amount exceeding $50,000,000 and (c) each Wholly-Owned Domestic Subsidiary of Parent designated or required to be designated as a Significant Domestic Subsidiary pursuant to Section 8.06(b).

"Significant Foreign Subsidiary" means any Foreign Subsidiary the value of whose gross assets (excluding the value of the Equity Interests of the Subsidiaries of such Foreign Subsidiary and any intercompany Indebtedness owing to such Foreign Subsidiary) exceeds $50,000,000 as of the most recent Fiscal Year end for which financial statements are available.

"Specified Contingent Obligations" has the meaning assigned to such term in the definition of "Indebtedness".

"Specified Time" means (a) with respect to the LIBO Rate, 11:00 a.m., London time, and (b) with respect to the EURIBO Rate, 11:00 a.m., Frankfurt time.

"Specified US Assets" of any Person means such Person's gross assets in the United States, excluding (a) the value of the Equity Interests of such Person's Subsidiaries and (b) any intercompany debt owing to such Person.

"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 percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board of Governors to which the Administrative Agent is subject for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board of Governors). Such reserve percentages shall include those imposed pursuant to such Regulation D. LIBOR 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 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.

"Subsidiary" of a Person means (a) any corporation, limited liability company, joint venture, partnership or other business entity of which at least a majority of the outstanding Equity Interests having by the terms thereof ordinary voting power to elect a majority of the board of directors, managers or other governing body of such Person (irrespective of whether or not at the time Equity Interests of any other class or classes of such Person shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries and (b) any partnership of which such Person or any of its Subsidiaries is a general partner. Unless otherwise indicated herein, each reference to the term "Subsidiary" means a direct or indirect Subsidiary of Parent.

"Support Letter of Credit" shall mean an irrevocable standby letter of credit, satisfactory in form to the Administrative Agent, and issued by a bank or other financial institution having upon issuance a senior unsecured long-term debt rating of (a) A- or better from S&P or (b) A3 or better from Moody's.

"Swingline Borrowing" means a borrowing of a Swingline Loan pursuant to Section 2.08.

"Swingline Exposure" means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Revolving Lender at any time shall be its Applicable Revolving Percentage of the total Swingline Exposure at such time.

"Swingline Lender" means Wells Fargo Bank, National Association, in its capacity as a lender of Swingline Loans hereunder.

"Swingline Loan" has the meaning assigned to such term in Section 2.08(a).

"Syndication Agent" means Crédit Agricole Corporate and Investment Bank in its capacity as syndication agent.

"Taxes" means any and 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 and penalties applicable thereto.

"Term Loan" has the meaning assigned to such term in Section 2.01(b).

"Term Loan Borrowing" means Term Loans of the same Type, made, converted or continued on the same date and, in the case of LIBOR Loans or EURIBOR Loans, as to which a single Interest Period is in effect.

"Term Loan Commitment" mean, with respect to each Term Loan Lender, the commitment of such Term Loan Lender to funds its Term Loan on the Initial Availability Date in the amount set forth opposite such Term Loan Lender's name on Annex I hereto under the caption "Term Loan Commitment".

"Term Loan Lenders" means the Persons listed in Annex I hereto as having a Term Loan Commitment (or, following the initial funding of the Term Loans on the Initial Availability Date, all of the Lenders that hold Term Loans) and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

"Term Loan Maturity Date" means the date that is two (2) calendar years following the Initial Availability Date. The Administrative Agent shall set forth such date in the notice of the occurrence of the Initial Availability Date delivered by Administrative Agent to the Borrower and the Lenders in accordance with Section 6.02.

"Term Loan Note" means a promissory note of the Borrower in favor of a Lender evidencing the Term Loans made by such Lender, substantially in the form of Exhibit A-2.

"Term Loan Refinancing Intercreditor Agreement" means any intercreditor and subordination agreement entered into among Parent, the Borrower, each other Loan Party, the Administrative Agent and the applicable lender or administrative agent with respect to the Permitted Term Loan Refinancing Indebtedness, dated as of the date such Indebtedness is incurred, which agreement shall be in form and substance satisfactory to Administrative Agent and the Majority Revolving Lenders in their sole discretion, as the same may be amended, modified, supplemented or restated from time to time.

"Termination Date" means the earlier of the Revolving Maturity Date and the date of termination of the Revolving Commitments.

"Testing Period" means any period of four consecutive Fiscal Quarters (whether or not such quarters are all within the same Fiscal Year).

"Ticking Fee" has the meaning assigned to such term in Section 3.05(d).

"Total Indebtedness" means, at any time, the sum (without duplication) of (a) 100% of the debt of Parent and its Consolidated Restricted Subsidiaries reflected as long-term debt on the consolidated balance sheet of Parent in accordance with GAAP, plus (b) the current portion of any debt of Parent and its Consolidated Restricted Subsidiaries that was reflected as long-term debt on the consolidated balance sheet of Parent in accordance with GAAP at the time such debt was first incurred, minus (c) all net mark to market obligations of Parent and its Consolidated Restricted Subsidiaries under Hedging Agreements to the extent included in the foregoing clauses (a) or (b). Notwithstanding the foregoing, obligations of the Borrower described in Section 9.01(s) that are not past due shall not be included in any calculation of Total Indebtedness.

"Total Interest Expense" means, for any period, the total consolidated interest expense net of cash interest income of Parent and its Consolidated Restricted Subsidiaries for such period (including the cash equivalent of the interest expense associated with Capital Lease Obligations, but excluding (a) Indebtedness or lease issuance costs, debt discounts or premiums and other financing fees required to be amortized, (b) lease payments on any office equipment or real property, (c) any principal components paid on all lease payments, (d) gains, losses or other charges as a result of the early retirement of Indebtedness and (e) any other non-cash interest expense). Total Interest Expense will be adjusted on a pro forma basis (calculated as if such indebtedness was incurred or repaid on the first day of such Testing Period and determined by the Borrower in a manner reasonably acceptable to the Administrative Agent) for (i) interest expense associated with Indebtedness, the proceeds of which are to be used for any acquisition with a purchase price in excess of $50,000,000 and (ii) interest expense associated with Indebtedness that is repaid with the proceeds of any Disposition with a sale price in excess of $50,000,000 (in each case to the extent not otherwise reflected in the calculation of Total Interest Expense).

"Total Leverage Ratio" means, as of the last day of any Testing Period, the ratio of Total Indebtedness as of such date to EBITDA for such Testing Period.

"Total Revolving Credit Exposure" means, at any time, the sum of the Revolving Credit Exposures of all Lenders at such time.

"Trade Date" has the meaning assigned to such term in Section 12.04(i)(i).

"Transactions" means the execution, delivery and performance by the Loan Parties of the Loan Documents to which they are a party, the borrowing of Loans, the use of the proceeds thereof and the issuance of Letters of Credit hereunder, and the grant of Liens by the Loan Parties on Collateral pursuant to the Security Instruments.

"Transferred Subsidiary" has the meaning assigned to such term in Section 8.06(c)(ii).

"Treasury Management Agreement" means any agreement regarding bank services provided to Parent or any Restricted Subsidiary (excluding any ABS Subsidiary) for commercial credit cards, stored value cards or treasury management services, including deposit accounts, auto-borrow, zero balance or cash concentration accounts, returned check concentration, lockbox, controlled disbursements, automated clearinghouse transactions, return items, overdrafts, interstate depository network services and reporting and trade finance services provided by a Secured Treasury Management Counterparty; provided that in no event shall any agreement evidencing or creating Indebtedness (other than credit cards) be deemed to be a Treasury Management Agreement.

"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 Base Rate, the Adjusted LIBO Rate or the EURIBO Rate.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of Texas or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests.

"Unrestricted Subsidiary" means (a) the Subsidiaries set forth on Schedule 1.01(b) and (b) any Subsidiary designated as an Unrestricted Subsidiary in accordance with Section 9.14 and any of its Subsidiaries, other than any Subsidiary that is designated a Restricted Subsidiary in accordance with Section 9.14. For the avoidance of doubt, the Borrower may not be designated as an Unrestricted Subsidiary.

"US Dollar Equivalent" means, on any date of determination, (a) with respect to any amount denominated in US Dollars, such amount, (b) with respect to any amount in Euros, the equivalent in US Dollars of such amount and (c) with respect to any amount denominated in an Offshore Currency, the equivalent in US Dollars of such amount, in each case with respect to the foregoing clauses (b) and (c) as determined by the Administrative Agent pursuant to Section 1.05 using the Exchange Rate on such date of determination.

"US Dollars" or "$" refers to lawful money of the United States of America.

"U.S. Person" means 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 5.03(g)(ii)(B)(3).

"USA PATRIOT Act" has the meaning assigned to such term in Section 12.16.

"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 thereof, 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 Domestic Subsidiary" means any Domestic Subsidiary (other than the Borrower) of which all of the outstanding Equity Interests (other than any directors' qualifying shares mandated by applicable law), on a fully-diluted basis, are owned by Parent or one or more of the other Wholly-Owned Domestic Subsidiaries or are owned by Parent and one or more of the other Wholly-Owned Domestic Subsidiaries.

"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 the Borrower and the Administrative Agent.

"Working Capital" means, at any date, the excess of current assets of Parent and its Consolidated Restricted Subsidiaries (excluding the current portion of deferred income taxes) on such date over current liabilities of Parent and its Consolidated Restricted Subsidiaries (excluding current maturities of long-term Indebtedness) on such date, all determined on a consolidated basis in accordance with GAAP.

Section 1.02 Types of Loans and Borrowings. For purposes of this Agreement, Loans and Borrowings may be classified and referred to by Type (e.g., a "LIBOR Loan" or a "LIBOR Borrowing") or by Class (e.g., a "Revolving Loan" or a "Revolving Borrowing") or by Type and Class (e.g., a "Revolving LIBOR Loan" or a "Revolving LIBOR Borrowing").

Section 1.03 Terms Generally; Rules of Construction. 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, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth in the Loan Documents), (b) any reference herein to any law shall be construed as referring to such law as amended, modified, codified or reenacted, in whole or in part, and in effect from time to time, (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to the restrictions contained in the Loan Documents), (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) with respect to the determination of any time period, the word "from" means "from and including", the word "to" means "to but excluding" and the word "through" means "through and including", (f) any reference herein to Articles, Sections, Annexes, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Annexes, Exhibits and Schedules to, this Agreement and (g) any reference herein to "knowledge of the Borrower" or to "the Borrower's knowledge" shall be construed to mean the actual knowledge of a Responsible Officer of the Borrower. No provision of this Agreement or any other Loan Document shall be interpreted or construed against any Person solely because such Person or its legal representative drafted such provision.

Section 1.04 Accounting Terms and Determinations; GAAP. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all determinations with respect to accounting matters hereunder shall be made, and all financial statements and certificates and reports as to financial matters required to be furnished to the Administrative Agent or the Lenders hereunder shall be prepared, in accordance with GAAP, applied on a basis consistent with the audited financial statements of Parent and its Consolidated Restricted Subsidiaries referred to in Section 8.01(a) (except for changes concurred with by Parent and its Consolidated Restricted Subsidiaries' independent public accountants); provided that, if Parent notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof or the operation of such provision (or if the Administrative Agent notifies Parent that the Majority 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 anything to the contrary in this Agreement or any other Loan Document, for purposes of calculations made pursuant to the terms of this Agreement or any other Loan Document, GAAP will be deemed to treat leases that would have been classified as operating leases in accordance with generally accepted accounting principles in the United States as in effect on December 31, 2014 in a manner consistent with the treatment of such leases under generally accepted accounting principles in the United States as in effect on December 31, 2014, notwithstanding any modifications or interpretive changes thereto that may occur thereafter. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, for the purposes of

calculating any of the ratios tested under Section 9.10, and the components of each of such ratios, all Unrestricted Subsidiaries (including their assets, liabilities, income, losses, cash flows, and the elements thereof) shall be excluded, except that cash distributions actually received by Parent or any Consolidated Restricted Subsidiary from Unrestricted Subsidiaries shall be included as income of Parent and such Consolidated Restricted Subsidiary when received as provided in the definition of "EBITDA" contained in Section 1.01.

Section 1.05 Currency Translation. The Administrative Agent shall determine the US Dollar Equivalent of any Borrowing denominated in Euros two (2) Business Days prior to the initial Interest Period therefor and as of the date two (2) Business Days prior to the commencement of each subsequent Interest Period therefor, in each case using the Exchange Rate for Euros in relation to US Dollars in effect on the date of determination, and such amount shall, except as provided in the immediately succeeding sentence, be the US Dollar Equivalent of such Borrowing until the next required calculation thereof pursuant to this sentence. The Administrative Agent may also determine the US Dollar Equivalent of any Borrowing denominated in Euros as of such other dates as the Administrative Agent shall select in its discretion, in each case using the Exchange Rate in effect on the date of determination, and such amount shall be the US Dollar Equivalent of such Borrowing until the next calculation thereof pursuant to this Section. The Administrative Agent shall notify the Borrower and the Lenders of each determination of the US Dollar Equivalent of each Borrowing denominated in Euros. Any determination by the Administrative Agent pursuant to this Section 1.05 shall be conclusive absent manifest error.

ARTICLE II
The Credits

Section 2.01 Commitments.

(a) Subject to the terms and conditions set forth herein, each Revolving Lender agrees to make loans to the Borrower (each such loan, a "Revolving Loan"), denominated in US Dollars or Euros, from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Revolving Lender's Revolving Credit Exposure exceeding such Revolving Lender's Revolving Commitment and (ii) the Total Revolving Credit Exposure exceeding the Aggregate Revolving Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, repay and reborrow the Revolving Loans.

(b) Subject to the terms and conditions set forth herein, each Term Loan Lender severally agrees to make a term loan to the Borrower (each such loan, a "Term Loan"), denominated in US Dollars, on the Initial Availability Date in an aggregate principal amount that will not result in (i) the amount of the Term Loan made by such Term Loan Lender hereunder exceeding such Term Loan Lender's Term Loan Commitment or (ii) the aggregate amount of the Term Loans made by all Term Loan Lenders hereunder exceeding the total Term Loan Commitments. Once borrowed, the Borrower may not reborrow any portion of the Term Loans that has been repaid or prepaid, whether in whole or in part. Upon any funding of any Term Loan hereunder by any Term Loan Lender, such Term Loan Lender's Term Loan Commitment shall terminate immediately and without further action in an amount equal to, and on the date of, such funding of such Term Loan.

Section 2.02 Loans and Borrowings.

(a) Borrowings; Several Obligations. Each Loan shall be made as part of a Borrowing consisting of Loans made by the Lenders ratably in accordance with their respective Commitments. 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 are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Types of Loans.

(i) Subject to Section 3.03, each Loan shall be made as part of a Borrowing consisting of Loans of the same Type, Class and currency made by the Lenders ratably in accordance with their respective Commitments as the Borrower may request in accordance herewith.

(ii) Subject to Section 3.03, (A) each Borrowing denominated in US Dollars shall be comprised entirely of ABR Loans or LIBOR Loans as the Borrower may request in accordance herewith, and (B) each Borrowing denominated in Euros shall be comprised entirely of EURIBOR Loans. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) Minimum Amounts; Limitation on Number of Borrowings. At the commencement of each Interest Period for any LIBOR Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of $500,000 and not less than $1,000,000. At the time that any ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of $250,000 and not less than $250,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the Aggregate Revolving Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.07(d). At the commencement of each Interest Period for any EURIBOR Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of €500,000 and not less than €1,000,000. Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not be more than a total of twelve (12) LIBOR Borrowings and EURIBOR Borrowings outstanding at any time. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Revolving Borrowing if the Interest Period requested with respect thereto would end after the Revolving Maturity Date or any Term Loan Borrowing if the Interest Period requested with respect thereto would end after the Term Loan Maturity Date.

(d) Notes. Any Lender may request that the Term Loans and/or Revolving Loans, as applicable, made by such Lender be evidenced by a Term Loan Note or Revolving Note, as applicable, dated, in the case of (i) any Lender party hereto as of the Initial Availability Date, as of the Initial Availability Date, (ii) any Lender that becomes a party hereto pursuant to an Assignment and Assumption, as of the effective date of such Assignment and Assumption or (iii) any Lender that becomes a party hereto in connection with an increase in the Aggregate Revolving Commitments pursuant to Section 2.06(c), as of the effective date of such increase, payable to such Lender in a principal amount equal to its Term Loan Commitment (or, for any Term Loan Note issued following the Initial Availability Date, in an amount equal to the principal amount of the Term Loan held by such Term Loan Lender) or its Revolving Commitment as in effect on such date, as applicable and in each case denominated in US Dollars, and otherwise duly completed. In the event that any Revolving Lender's Revolving Commitment increases or decreases for any reason (whether pursuant to Section 2.06, Section 12.04(c) or otherwise), at the request of such Revolving Lender, the Borrower shall deliver or cause to be delivered on the effective date of such increase or decrease, a new Revolving Note payable to such Revolving Lender in a principal

amount equal to its Revolving Commitment (denominated in US Dollars) after giving effect to such increase or decrease, and otherwise duly completed. In the event any Term Loan Lender's share of the outstanding Term Loans increases for any reason (whether pursuant to Section 12.04(c) or otherwise), the Borrower shall, upon request of such Term Loan Lender, deliver or cause to be delivered, on the effective date of such increase, a new Term Loan Note payable to such Term Loan Lender in a principal amount equal to its outstanding Term Loans as of such date. The date, amount, Type, interest rate and, if applicable, Interest Period of each Term Loan and each Revolving Loan made by each Lender and all payments made on account of the principal thereof, shall be recorded by such Lender on its books for its Term Loan Note and Revolving Notes, as applicable, and, prior to any transfer, may be recorded by such Lender on a schedule attached to such Note or any continuation thereof or on any separate record maintained by such Lender. Failure to make any such notation or to attach a schedule shall not affect any Lender's or the Borrower's rights or obligations in respect of such Loans or affect the validity of such transfer by any Lender of its Term Loan Note and/or Revolving Note.

Section 2.03 Requests for Borrowings. To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone, facsimile or e-mail (a) in the case of a LIBOR Borrowing, not later than 12:00 p.m., Eastern time, three (3) Business Days before the date of the proposed Borrowing; (b) in the case of a EURIBOR Borrowing, not later than 12:00 p.m., Eastern time, three (3) Business Days before the date of the proposed Borrowing or (c) in the case of an ABR Borrowing, not later than 12:00 p.m., Eastern time, on the date of the proposed Borrowing; provided that no such notice shall be required for any deemed request of an ABR Borrowing to finance the reimbursement of an LC Disbursement as provided in Section 2.07(d). Each such Borrowing Request shall be irrevocable and, in the case of a telephonic Borrowing request, shall be confirmed promptly by hand delivery, facsimile or e-mail to the Administrative Agent of a written Borrowing Request in substantially the form of Exhibit B and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

(i) the currency (whether in US Dollars or Euros) and aggregate amount of the requested Borrowing (and, with respect to the Borrowing Request regarding Borrowings to be made on the Initial Availability Date, the amount of the requested Term Loan Borrowing and the amount of the requested Revolving Borrowing);

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing, a LIBOR Borrowing or a EURIBOR Borrowing;

(iv) in the case of a LIBOR Borrowing or a EURIBOR Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(v) the location and number of the account to which funds are to be disbursed, which shall comply with the requirements of Section 2.05.

If no currency is specified with respect to any requested Borrowing, then the Borrower shall be deemed to have selected US Dollars. If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be (A) in the case of a Borrowing denominated in US Dollars, an ABR Borrowing and (B) in the case of Borrowing denominated in Euros, a EURIBOR Borrowing. If no Interest Period is specified with respect to any requested LIBOR Borrowing or EURIBOR Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Each request for a Borrowing shall constitute a representation that the amount of the requested Borrowing shall not cause (x) the Total Revolving Credit Exposure to exceed the Aggregate Revolving Commitments or (y) the total outstanding Term Loans to exceeds the total Term Loan Commitments. 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 Interest Elections.

(a) Conversion and Continuance. Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a LIBOR Borrowing or EURIBOR Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a LIBOR Borrowing or EURIBOR Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.04. The Borrower 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 2.04 shall not apply to Swingline Borrowings, which may not be converted or continued.

(b) Interest Election Requests. To make an election pursuant to this Section 2.04, the Borrower shall notify the Administrative Agent of such election by telephone, facsimile or e-mail by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such Interest Election Request shall be irrevocable and, in the case of a telephonic Interest Election Request, shall be confirmed promptly by hand delivery, facsimile or e-mail to the Administrative Agent of a written Interest Election Request in substantially the form of Exhibit C and signed by the Borrower. Notwithstanding any other provision of this Section 2.04, the Borrower shall not be permitted to (i) change the currency of any Borrowing or (ii) elect an Interest Period for a LIBOR Borrowing or a EURIBOR Borrowing that, in the case of this clause (b), does not comply with Section 2.02(c).

(c) Information in Interest Election Requests. Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.03:

(i) 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 Section 2.04(c)(iii) and (iv) 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, a LIBOR Borrowing or a EURIBOR Borrowing; and

(iv) if the resulting Borrowing is a LIBOR Borrowing or a EURIBOR 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 LIBOR Borrowing or a EURIBOR Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Notice to Lenders by the Administrative Agent. Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Term Loan Lender and/or each Revolving Lender, as applicable, of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) Effect of Failure to Deliver Timely Interest Election Request and Event of Default. If the Borrower fails to deliver a timely Interest Election Request with respect to a LIBOR Borrowing or a EURIBOR Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period (i) in the case of a LIBOR Borrowing, such Borrowing shall be converted to an ABR Borrowing and (ii) in the case of a EURIBOR Borrowing, such Borrowing shall be continued as a EURIBOR Borrowing for an Interest Period of one month. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent so notifies the Borrower, then, so long as an Event of Default is continuing: (i) no outstanding Borrowing denominated in US Dollars may be converted to or continued as a LIBOR Borrowing (and any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a LIBOR Borrowing shall be ineffective), (ii) unless repaid, each LIBOR Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto and (iii) unless repaid, each EURIBOR Borrowing shall be continued as a EURIBOR Borrowing with an Interest Period of one month's duration.

Section 2.05 Funding of Borrowings.

(a) Funding by Lenders. Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 1:00 p.m., Eastern time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swingline Loans shall be made by the time specified in Section 2.08(b). The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account designated by the Borrower in the applicable Borrowing Request; provided that ABR Loans that are Revolving Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.07(d) shall be remitted by the Administrative Agent to the applicable Issuing Bank. Nothing herein shall be deemed to obligate any Lender to obtain the funds for its 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 its Loan in any particular place or manner.

(b) Presumption of Funding by the Lenders. Except with respect to Swingline Loans made pursuant to Section 2.08, 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 Section 2.05(a) 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 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 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 (i) in the case of such Lender, 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 or (ii) in the case of the Borrower, the interest rate applicable to the Loans that are the same Class that such Lender failed to fund. 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 Borrowing to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing. Any payment made by the Borrower pursuant to this Section 2.05(b) 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.

Section 2.06 Termination, Reduction and Increase of Commitments.

(a) Scheduled Termination of Commitments. Notwithstanding anything to the contrary herein, the Term Loan Commitments that are funded on the Initial Availability Date shall be terminated upon such funding and, if the total Term Loan Commitments as of the Initial Availability Date are not drawn on the Initial Availability Date, any Term Loan Commitments in respect of the undrawn amount shall automatically be cancelled. Unless previously terminated, the Aggregate Revolving Commitments shall terminate on the Revolving Maturity Date; provided that, if the Initial Availability Date does not occur on or prior to January 4, 2016, the Commitments shall terminate at 11:59 p.m., Eastern time, on January 4, 2016.

(b) Optional Termination and Reduction of Aggregate Revolving Commitments.

(i) The Borrower may at any time terminate, or from time to time reduce, the Aggregate Revolving Commitments; provided that (A) each reduction of the Aggregate Revolving Commitments shall be in an amount that is an integral multiple of $500,000 and not less than $1,000,000 and (B) the Borrower shall not terminate or reduce the Aggregate Revolving Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 3.04(c), the Total Revolving Credit Exposure would exceed the Aggregate Revolving Commitments.

(ii) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Aggregate Revolving Commitments under Section 2.06(b)(i) not later than 12:00 p.m., Eastern time, on 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 Revolving Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.06(b)(ii) shall be irrevocable; provided that a notice of termination of the Aggregate Revolving Commitments may state that such notice is conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied, subject to the payment of any compensation required by Section 5.02. Any termination or reduction of the Aggregate Revolving Commitments shall be permanent and may not be reinstated except pursuant to Section 2.06(c). Each reduction of the Aggregate Revolving Commitments shall be made ratably among the Revolving Lenders in accordance with each Lender's Applicable Revolving Percentage.

(c) Optional Increase in Aggregate Revolving Commitments.

(i) Subject to the conditions set forth in Section 2.06(c)(ii), the Borrower may at any time and from time to time increase the Aggregate Revolving Commitments then in effect by increasing the Revolving Commitment of one or more Revolving Lenders or by causing one or more Persons that at such time are not already Revolving Lenders to become Revolving Lenders (each, an "Additional Revolving Lender").

(ii) Any increase in the Aggregate Revolving Commitments shall be subject to the following additional conditions:

(A) the amount of such increase shall be an integral multiple of $5,000,000 (unless the Administrative Agent shall otherwise consent);

(B) after giving effect to such increase pursuant to this Section 2.06(c), the Aggregate Revolving Commitments shall not exceed $900,000,000;

(C) no Default shall have occurred and be continuing on the effective date of such increase;

(D) on the effective date of such increase, no LIBOR Borrowings or EURIBOR Borrowings shall be outstanding or if any LIBOR Borrowings or EURIBOR Borrowings are outstanding, then the effective date of such increase shall be the last day of the Interest Period in respect of such LIBOR Borrowings or EURIBOR Borrowings unless the Borrower pays any compensation required by Section 5.02;

(E) no Revolving Lender's Revolving Commitment may be increased without the consent of such Revolving Lender;

(F) if such increase is effected in whole or in part by increasing the Revolving Commitment of a Revolving Lender, the Borrower and such Lender shall execute and deliver to the Administrative Agent a certificate substantially in the form of Exhibit H-1 (a "Revolving Commitment Increase Certificate"), and, if requested by such Revolving Lender, the Borrower shall deliver a new or replacement Revolving Note payable to such Revolving Lender in a principal amount equal to its Revolving Commitment after giving effect to such increase, and otherwise duly completed;

(G) if such increase is effected in whole or in part by causing an Additional Revolving Lender to become a party to this Agreement, (1) the Borrower and such Additional Revolving Lender shall execute and deliver to the Administrative Agent a certificate substantially in the form of Exhibit H-2 (an "Additional Revolving Lender Certificate"), together with an Administrative Questionnaire, and, if requested by such Additional Revolving Lender, the Borrower shall deliver a Revolving Note payable to such Additional Revolving Lender in a principal amount equal to its Revolving Commitment, and otherwise duly completed, and (2) such Additional Revolving Lender shall be subject to the approval of the Administrative Agent and each Issuing Bank (in each case not to be unreasonably withheld or delayed);

(H) the representations and warranties of the Borrower and the Guarantors set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation or warranty that is already qualified or modified by materiality in the text thereof) on and as of the effective date of such increase, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the effective date of such increase, such representations and warranties shall continue to be true and correct in all material respects as of such specified earlier date;

(I) the receipt by the Administrative Agent and the Revolving Lenders participating in such increase of all fees and expenses payable by the Borrower in connection therewith pursuant to a written agreement among the Borrower and the Administrative Agent and/or the Revolving Lenders participating in such increase or under Section 12.04 (to the extent required to be paid on or before the date on which such increase becomes effective); and

(J) the receipt by the Administrative Agent of the following documents which shall each be reasonably satisfactory to the Administrative Agent in form and substance: (1) documents of the type required to be delivered pursuant to Sections 6.01(a)(ii), 6.01(a)(iii) and 6.02(a)(xi) (if requested by the Administrative Agent), in each case to the extent relating to any increases in the Aggregate Revolving Commitments, (2) if a Borrowing is requested to be made on the effective date of such increase, a Borrowing Request and (3) such other documents relating to the applicable increase in the Aggregate Revolving Commitments as the Administrative Agent or any Revolving Lender participating in such increase may reasonably request.

(iii) Subject to acceptance and recording thereof pursuant to Section 2.06(c)(iv), from and after the effective date specified in any Revolving Commitment Increase Certificate or Additional Revolving Lender Certificate (or if any LIBOR Borrowings or EURIBOR Borrowings are outstanding, then the last day of the Interest Period in respect of such LIBOR Borrowings or EURIBOR Borrowings, unless the Borrower pays any compensation required by Section 5.02), as the case may be: (A) the amount of the Aggregate Revolving Commitments shall be increased as set forth therein, and (B) in the case of an Additional Revolving Lender Certificate, any Additional Revolving Lender party thereto shall be a party to this Agreement and have the rights and obligations of a Revolving Lender under this Agreement and the other Loan Documents.

In addition, in connection with an increase of the Aggregate Revolving Commitments, each Revolving Lender and Additional Revolving Lender participating in such increase shall purchase a pro rata portion of the outstanding Revolving Loans (and participation interests in Letters of Credit) of each of the other Revolving Lenders (and such Revolving Lenders hereby agree to sell and to take all such further action to effectuate such sale) such that each Revolving Lender (including any Additional Revolving Lender, if applicable) shall hold its Applicable Revolving Percentage of the outstanding Revolving Loans (and participation interests in Letters of Credit) after giving effect to the increase in the Aggregate Revolving Commitments.

(iv) Upon its receipt of (A) a duly completed Revolving Commitment Increase Certificate or an Additional Revolving Lender Certificate, as the case may be, executed by the Borrower and the Revolving Lender or the Borrower and the Additional Revolving Lender party thereto, as applicable, (B) the Administrative Questionnaire referred to in Section 2.06(c)(ii)(G), if applicable, (C) confirmation of the approval or consent of any applicable Person required pursuant to this Section 2.06(c) and (D) such documents required under Section 2.06(c)(ii)(J), the Administrative Agent shall accept such Revolving Commitment Increase Certificate or Additional Revolving Lender Certificate, as the case may be, and record the information contained therein in the Register required to be

maintained by the Administrative Agent pursuant to Section 12.04(c). No increase in the Aggregate Revolving Commitments shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 2.06(c)(iv).

Section 2.07 Letters of Credit.

(a) General. Subject to the terms and conditions hereof, each Issuing Bank agrees to issue, renew and extend Letters of Credit for the account of the Borrower in support of obligations of Parent, the Borrower or any Restricted Subsidiary in US Dollars and Euros; provided, however, that, after giving effect to the issuance, renewal or extension of any Letter of Credit, (x) the aggregate US Dollar Equivalent of the LC Exposure shall not exceed $500,000,000 and (y) the aggregate US Dollar Equivalent of Letters of Credit issued by any Issuing Bank shall not exceed such Issuing Bank's LC Issuance Limit. Letters of Credit may be issued, renewed or extended on any Business Day during the period from the Initial Availability Date to the 30th day prior to the Revolving Maturity Date. The Revolving Lenders shall participate in such Letters of Credit according to their respective Applicable Revolving Percentages. Each of the Letters of Credit shall (i) be issued by the applicable Issuing Bank on a sight basis only, (ii) contain such terms and provisions as are reasonably required by the applicable Issuing Bank, (iii) be for the account of the Borrower in support of obligations of Parent, the Borrower or any Restricted Subsidiary and (iv) subject to the immediately succeeding paragraph, expire not later than five (5) Business Days before the Revolving Maturity Date. The Borrower may request that any Letter of Credit be issued in an Offshore Currency. No Issuing Bank shall be obligated to issue an Offshore Currency Letter of Credit if such Issuing Bank has determined, in its sole discretion, that it is unable to fund obligations in the requested Offshore Currency; provided, however, the Administrative Agent shall use its commercially reasonable efforts to locate suitable issuers if no Issuing Bank is able to fund obligations in the requested Offshore Currency. From and after the Initial Availability Date, the Existing Letters of Credit shall be deemed to be Letters of Credit issued pursuant to this Section 2.07.

Notwithstanding anything to the contrary contained in this Agreement, including this Section 2.07, the expiration date of one or more Letters of Credit may extend beyond the Revolving Maturity Date ("Extended Expiry Letters of Credit"); provided, however, it is hereby expressly agreed and understood that:

(i) the US Dollar Equivalent of the aggregate face amount of all such Extended Expiry Letters of Credit shall not at any time exceed $150,000,000;

(ii) the expiration date of any Extended Expiry Letters of Credit shall not be later than three (3) years after the Revolving Maturity Date;

(iii) the Borrower shall, not later than five (5) Business Days prior to the Revolving Maturity Date, deposit cash in an account with the Administrative Agent, in the name of the Administrative Agent for the benefit of the Administrative Agent and each applicable Issuing Bank, and/or provide one or more Support Letters of Credit for the benefit of the Administrative Agent and each applicable Issuing Bank, so that the aggregate amount of cash and the aggregate face amount of such Support Letters of Credit is at least equal to the sum of (A) 105% of the aggregate amount available for drawing under all Extended Expiry Letters of Credit denominated in US Dollars as of such date and (B) 110% of the aggregate amount available for drawing under all Extended Expiry Letters of Credit denominated in Euros or any Offshore Currency as of such date;

(iv) if any Issuing Bank makes any disbursement in connection with a Letter of Credit after the Revolving Maturity Date, such disbursement shall be an advance on behalf of the Borrower under this Agreement and shall be reimbursed to such Issuing Bank (A) first, by the Administrative Agent applying amounts in the cash collateral account and/or proceeds of any drawing on any Support Letter of Credit referred to in clause (iii) of this paragraph until reimbursed in full, and (B) second, by the Borrower pursuant to Section 2.07(d) (except that the Borrower shall not have the right to request that the Lenders make, and the Lenders shall not have any obligation to make, a Loan under this Agreement after the Revolving Maturity Date to fund any such disbursement); and

(v) all such disbursements referred to in clause (iv) of this paragraph shall be secured only by the cash collateral and Support Letters of Credit referred to in clause (iii) of this paragraph and the Borrower hereby grants to the Administrative Agent a first-priority security interest in all such cash collateral (whether now or hereafter deposited in the cash collateral account referred to in clause (iii) of this paragraph), without any further action on the part of any Issuing Bank, the Borrower, the Administrative Agent, any Lender or any other Person now or hereafter party hereto (other than any action the Administrative Agent reasonably deems necessary to perfect such security interest, which action the Borrower hereby authorizes the Administrative Agent to take), until such disbursements are reimbursed in full.

The obligations of the Borrower under this Agreement and the other Loan Documents regarding Letters of Credit, including obligations under this Section 2.07, shall survive after the Revolving Maturity Date and termination of the Revolving Commitments for so long as any LC Exposure exists.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit by any Issuing Bank (or the amendment, renewal or extension of an outstanding Letter of Credit issued by any Issuing Bank), the Borrower shall hand deliver or transmit by facsimile or e-mail to such Issuing Bank and the Administrative Agent not later than 12:00 p.m., Eastern time, (i) three (3) Business Days before the proposed date such Letter of Credit is to be issued (or such shorter time as such Issuing Bank may agree) and (ii) one (1) Business Day before the proposed date of any amendment, renewal or extension of a Letter of Credit (or such shorter time as such Issuing Bank may agree), a Letter of Credit Request requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying:

(i) which Issuing Bank is being requested to issue such Letter of Credit and the date of issuance, amendment, renewal or extension (which shall be a Business Day),

(ii) the date on which such Letter of Credit is to expire (which shall comply with paragraph (a) of this Section 2.07),

(iii) the amount of such Letter of Credit,

(iv) 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, and

(v) the current Total Revolving Credit Exposures (without regard to the requested Letter of Credit or the requested amendment, renewal or extension of an outstanding Letter of Credit) and the pro forma Total Revolving Credit Exposures (giving effect to the requested Letter of Credit or the requested amendment, renewal or extension of an outstanding Letter of Credit).

If requested by any Issuing Bank, the Borrower 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 by an Issuing Bank only if (and with respect to each notice provided by the Borrower above and any issuance, amendment, renewal or extension of each Letter of Credit, the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (A) the portion of the LC Exposure attributable to Letters of Credit issued by such Issuing Bank will not, unless such Issuing Bank shall so agree in its sole discretion, exceed the LC Issuance Limit of such Issuing Bank, (B) the LC Exposure will not exceed $500,000,000 and (C) the Total Revolving Credit Exposure will not exceed the Aggregate Revolving Commitments. No letter of credit issued by any Issuing Bank (if such Issuing Bank is not the Administrative Agent) shall be deemed to be a "Letter of Credit" issued under this Agreement unless such Issuing Bank has requested and received written confirmation from the Administrative Agent that the representations by the Borrower contained in the foregoing clauses (B) and (C) are true and correct.

No Issuing Bank will be required to: (A) issue any Letter of Credit if (1) 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 law applicable 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 the 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 that was not applicable on the Effective Date and that such Issuing Bank in good faith deems material to it, (2) the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank applicable to letters of credit generally or (3) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder; or (B) amend or extend any Letter of Credit if such Issuing Bank would not be required at such time to issue the Letter of Credit in its amended form under the terms hereof or if the beneficiary of such Letter of Credit does not accept the proposed amendment thereto.

(c) Participations. In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the applicable Issuing Bank, such Revolving Lender's Applicable Revolving Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrower on the date due as provided in Section 2.07(d), or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.07(c) 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, the occurrence and continuance of a Default, or the reduction or termination of the Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(d) Reimbursement and Prepayment.

(i) In connection with any Letter of Credit, the Borrower may make funds available for disbursement by the applicable Issuing Bank in connection with such Letter of Credit. In such cases, the Issuing Bank shall use such funds which the Borrower has made available to fund drawings under such Letter of Credit. In addition, the Borrower may give written instructions to an Issuing Bank and the Administrative Agent to make a Revolving Loan under this Agreement to fund any Letters of Credit issued by such Issuing Bank which may be drawn. In all such cases, the Borrower shall give the appropriate notices required under this Agreement for an ABR Loan or a LIBOR Loan. If a disbursement by any Issuing Bank is made under any Letter of Credit, in cases in which the Borrower has not either provided its own funds to fund a draw on a Letter of Credit or given the Administrative Agent prior notice for a Revolving Loan under this Agreement, then the Borrower shall pay to the Administrative Agent within two (2) Business Days after notice of any such disbursement is received by the Borrower, the amount in the disbursed currency or, in the case of any Offshore Currency Letters of Credit, at the sole option of the Borrower, the US Dollar Equivalent determined on the date of such disbursement, of each such disbursement made by such Issuing Bank under such Letter of Credit (if such payment is not sooner effected as may be required under this Section 2.07(d) or under other provisions of the Letter of Credit), together with interest on the amount disbursed from and including the date of disbursement until payment in full of such disbursed amount at a varying rate per annum equal to (A) the then applicable interest rate for ABR Loans through the second Business Day after notice of such disbursement is received by the Borrower and (B) thereafter, the Post-Default Rate for ABR Loans (but in no event to exceed the Highest Lawful Rate) for the period from and including the third Business Day following the date of such disbursement to and including the date of repayment in full of such disbursed amount. The obligations of the Borrower under this Agreement with respect to each Letter of Credit shall be absolute, unconditional and irrevocable and shall be paid or performed strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including, without limitation, but only to the fullest extent permitted by applicable law, the following circumstances: (U) any lack of validity or enforceability of this Agreement, any Letter of Credit or any of the Security Instruments; (V) any amendment or waiver of (including any default), or any consent to departure from this Agreement (except to the extent permitted by any amendment or waiver), any Letter of Credit or any of the Security Instruments; (W) the existence of any claim, set-off, defense or other rights which the Borrower may have at any time against the beneficiary of any Letter of Credit or any transferee of any Letter of Credit (or any Persons for whom any such beneficiary or any such transferee may be acting), any Issuing Bank, the Administrative Agent, any Lender or any other Person, whether in connection with this Agreement, any Letter of Credit, the Security Instruments, the Transactions or any unrelated transaction; (X) any statement, certificate, draft, notice or any other document presented under any Letter of Credit proves to have been forged, fraudulent, insufficient or invalid in any respect or any statement therein proves to have been untrue or inaccurate in any respect whatsoever; (Y) payment by any Issuing Bank under any Letter of Credit against presentation of a draft or certificate which appears on its face to comply, but does not comply, with the terms of such Letter of Credit; and (Z) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent Revolving Lenders have funded Revolving Loans or made payments pursuant to Section 2.07(d)(iii) to reimburse such Issuing Bank for the applicable Letter of Credit disbursement, then to such Revolving Lenders and such Issuing Bank as their interests may appear.

Notwithstanding anything in this Agreement to the contrary, the Borrower will not be liable for payment or performance with respect to any Letter of Credit that results from the gross negligence or willful misconduct of the applicable Issuing Bank or its officers, employees, agents or representatives except, to the extent the Borrower or any Restricted Subsidiary actually recovers the proceeds for itself or the Issuing Bank of any payment made by the Issuing Bank in connection with such gross negligence or willful misconduct, the Borrower will be liable for payment or performance of such recovered amount minus costs and expenses associated with such recovery.

(ii) If no Event of Default has occurred and is continuing, and subject to availability under the Aggregate Revolving Commitments (after taking into account the LC Exposure), to the extent the Borrower has not reimbursed any Issuing Bank for any draw upon any Letter of Credit issued by such Issuing Bank within two (2) Business Day after notice of such disbursement has been received by the Borrower, the amount of such Letter of Credit

reimbursement obligation shall automatically be funded by the Revolving Lenders as a Revolving Loan hereunder and used to pay such Letter of Credit reimbursement obligation in the percentages referenced in Section 2.07(d)(iii) below. If an Event of Default has occurred and is continuing, or if the funding of such Letter of Credit reimbursement obligation as a Revolving Loan would cause the aggregate amount of all Revolving Loans to exceed the Aggregate Revolving Commitments (after taking into account the LC Exposure), such Letter of Credit reimbursement obligation shall not be funded as a Revolving Loan, but instead shall accrue interest as provided in Section 2.07(d)(i) and be subject to reimbursement under Section 2.07(d)(iii).

(iii) Each Revolving Lender severally and unconditionally agrees that it shall promptly reimburse each Issuing Bank in US Dollars an amount equal to such Revolving Lender's participation in any Letter of Credit issued by such Issuing Bank as provided in Section 2.07(a) of any disbursement made by such Issuing Bank under such Letter of Credit that is not otherwise reimbursed (or funded as a Revolving Loan) in accordance with the other provisions of this Section 2.07 (other than with respect to disbursements described in the second paragraph of Section 2.07(d)(i)) and such obligation to reimburse 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 Aggregate Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. If the Borrower fails to reimburse any Letter of Credit disbursement when due (and a Revolving Loan cannot be made pursuant to Section 2.07(d)(ii) due to any of the circumstances described therein), then the Administrative Agent shall notify each Revolving Lender of the applicable disbursement, the payment then due from the Borrower in respect thereof and such Revolving Lender's Applicable Revolving Percentage thereof. Promptly following receipt of such notice, each Revolving Lender shall pay to the Administrative Agent its Applicable Revolving Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.05 with respect to Revolving Loans made by such Revolving Lender (and Section 2.05 shall apply, *mutatis mutandis*, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Revolving Lenders. Any payment made by a Revolving Lender pursuant to this paragraph to reimburse an Issuing Bank for any disbursement shall bear interest at the rate provided in Section 2.07(d)(i) and shall not relieve the Borrower of its obligation to reimburse such disbursement.

(e) Cash Collateral. If (i) any Event of Default shall occur and be continuing and the Borrower receives notice from the Administrative Agent or the Majority Revolving Lenders demanding the deposit of cash collateral pursuant to this Section 2.07(e), (ii) the Borrower is required to pay to the Administrative Agent the excess attributable to an LC Exposure in connection with any prepayment required by Section 3.04(c)(i)(B), (iii) the Borrower is required to deposit cash collateral pursuant to Section 2.07(a)(iii) or (iv) the Borrower is required to cash collateralize any Defaulting Lender's LC Exposure and Swingline Exposure pursuant to Section 4.03(c)(iii)(B), then the Borrower shall deposit cash with the Administrative Agent for the benefit of the Issuing Banks and the Revolving Lenders (as applicable) in an amount equal to (A) in the case of clause (i) above, the LC Exposure (except for any outstanding Offshore Currency Letters of Credit, in which case the amount shall equal 110% of the aggregate face amount of all such Offshore Currency Letters of Credit), (B) in the case of clause (ii) above, the aggregate amount sufficient to eliminate such excess, (C) in the case of clause (iii) above, the amount required by Section 2.07(a)(iii) and (D) in the case of clause (iv) above, the amount of the applicable Defaulting Lender's LC Exposure and Swingline Exposure.

Any deposits of cash required by this Section 2.07(e), by Section 3.04(c)(i)(B), Section 4.03(c)(iii)(B) or Section 2.07(a)(iii) shall be held by the Administrative Agent for the benefit of the Issuing Banks and the Revolving Lenders (as applicable) as cash collateral securing the LC Exposure in an account or accounts at its principal office; and the Borrower hereby grants to the Administrative Agent, by its deposit therewith, a security interest in such cash collateral. In the event of any such payment by the Borrower of amounts contingently owing under outstanding Letters of Credit and in the event that thereafter drafts or other demands for payment complying with the terms of such Letters of Credit are not made prior to the respective expiration dates thereof, the Administrative Agent agrees, if no Event of Default has occurred and is continuing, to remit to the Borrower amounts on deposit as cash collateral for which the contingent obligations evidenced by such Letters of Credit have ceased. If, after payment in full of all Obligations of the Borrower under the Loan Documents (including without limitation, reimbursement obligations with respect to Letters of Credit, but excluding any indemnities and other contingent obligations not then due and payable and as to which no claim has been made at the time of determination) and the expiration or cancellation of all outstanding Letters of Credit, there remains any amount on deposit as cash collateral, the Administrative Agent shall, within three (3) Business Days after all such Obligations are paid in full and all outstanding Letters of Credit have expired or been cancelled, return such amount to the Borrower.

(f) Replacement of an Issuing Bank. Any Issuing Bank may at any time be replaced by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Revolving Lenders of any such replacement of an Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 3.05(a). From and after the effective date of any replacement of an Issuing Bank, (i) the successor Issuing Bank shall have all the rights and obligations of the replaced Issuing Bank under this Agreement with respect to Letters of Credit to be issued by such successor Issuing Bank thereafter and (i) references herein to the term "Issuing Bank" shall be deemed to refer to any successor to any replaced Issuing Bank or to any previous Issuing Bank, or to any such successor Issuing Bank 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 issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit. Schedule 1.02(b) shall be amended upon the written agreement of Parent, the Borrower, the Administrative Agent and any successor Issuing Bank to set forth such Issuing Bank's LC Issuance Limit, and no successor Issuing Bank shall be an "Issuing Bank" hereunder until such amendment is effective.

(g) Termination of an Issuing Bank. Any Issuing Bank may be terminated at any time upon not less than ten (10) Business Days' prior written notice by the Borrower to the Administrative Agent and such Issuing Bank. The Administrative Agent shall notify the Revolving Lenders of any such termination of an Issuing Bank. After the termination of an Issuing Bank hereunder, such 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 issued by it prior to such termination, but shall not be required to amend, renew or extend any such Letter of Credit or to issue additional Letters of Credit.

(h) Defaulting Lender. Notwithstanding any provision of this Section 2.07 to the contrary, this Section 2.07 shall be subject to the requirements of Sections 4.03(c) and 4.03(d).

Section 2.08 Swingline Loans.

(a) Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make loans denominated in US Dollars to the Borrower (each such loan, a "Swingline Loan") from time to time during the Availability Period in an aggregate principal amount at any time outstanding that will not result in (i) the aggregate principal amount of outstanding Swingline Loans exceeding $75,000,000, notwithstanding the fact that such Swingline Loans, when

aggregated with the Revolving Credit Exposure of the Lender acting as the Swingline Lender, may exceed the amount of such Lender's Revolving Commitment, or (ii) the Total Revolving Credit Exposure exceeding the Aggregate Revolving Commitments; provided that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. The Borrower shall pay to the Administrative Agent, for the account of the Swingline Lender or each Revolving Lender, as applicable, pursuant to Section 2.08(c), the outstanding aggregate principal and accrued and unpaid interest under each Swingline Loan no later than thirty (30) days following such Swingline Borrowing. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Swingline Loans.

(b) To request a Swingline Loan, the Borrower shall notify the Administrative Agent of such request by telephone, facsimile or e-mail not later than 2:00 p.m., Eastern time, on the date of the proposed Swingline Loan (and, in the case of telephonic notice, confirmed by hand delivery, facsimile or e-mail). Each such notice shall be irrevocable and shall specify the requested date (which shall be a Business Day) and amount of the requested Swingline Loan. The Administrative Agent will promptly advise the Swingline Lender of any such notice received from the Borrower. The Swingline Lender shall make each Swingline Loan available to the Borrower by means of a credit to the general deposit account of the Borrower with the Swingline Lender by 5:00 p.m., Eastern time, on the requested date of such Swingline Loan. Each Swingline Borrowing shall be in an amount that is an integral multiple of $250,000 and not less than $250,000.

(c) The Revolving Lenders shall participate in Swingline Loans according to their respective Applicable Revolving Percentages. Upon any Swingline Borrowing, the Administrative Agent shall give notice thereof to each Revolving Lender, specifying in such notice such Revolving Lender's Applicable Revolving Percentage of such Swingline Loan or Revolving Loans. Each Revolving Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Revolving Lender's Applicable Revolving Percentage of such Swingline Loan or Revolving Loans. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Aggregate Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Revolving Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.05 with respect to Revolving Loans made by such Revolving Lender (and Section 2.05 shall apply, *mutatis mutandis*, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Revolving Lenders and shall distribute the payments received from the Borrower to the Swingline Lender and the other Revolving Lenders as their interests appear with respect to such Swingline Loans. The Administrative Agent shall notify the Borrower of any participations in any Swingline Loan acquired pursuant to this paragraph. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrower of any default in the payment thereof. Notwithstanding the foregoing, a Revolving Lender shall not have any obligation to acquire a participation in a Swingline Loan pursuant to this paragraph if an Event of Default shall have occurred and be continuing at the time such Swingline Loan was made and such Revolving Lender shall have notified the Swingline Lender in writing, at least one (1) Business Day prior to the time such Swingline Loan was made, that such Event of Default has occurred and that such Revolving Lender will not acquire participations in Swingline Loans made while such Event of Default is continuing.

(d) Defaulting Lender. Notwithstanding any provision of this Section 2.08 to the contrary, this Section 2.08 shall be subject to the requirements of Sections 4.03(c) and 4.03(d).

Section 2.09 Amend and Extend Transactions.

(a) The Borrower may, by written notice to the Administrative Agent from time to time, request an extension (each, an "Extension") of the Term Loan Maturity Date to the extended maturity date specified in such notice. Such notice shall (i) set forth the amount of the Term Loans that will be subject to the Extension (which shall be in minimum increments of $5,000,000 and a minimum amount of $10,000,000) and (ii) set forth the date on which such Extension is requested to become effective (which shall be not less than ten (10) Business Days nor more than sixty (60) days after the date of such Extension notice (or such longer or shorter periods as the Administrative Agent shall agree in its sole discretion)). Each Term Loan Lender shall be offered (an "Extension Offer") an opportunity to participate in such Extension on a pro rata basis and on the same terms and conditions as each other Term Loan Lender pursuant to procedures established by, or reasonably acceptable to, the Administrative Agent and the Borrower. If the aggregate principal amount of Term Loans in respect of which Term Loan Lenders shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Term Loans subject to the Extension Offer as set forth in the Extension notice, then the Term Loans of the Term Loan Lenders shall be extended ratably up to such maximum amount based on the respective principal amounts with respect to which such Term Loan Lenders have accepted such Extension Offer.

(b) The following shall be conditions precedent to the effectiveness of any Extension: (i) no Default or Event of Default shall have occurred and be continuing immediately prior to and immediately after giving effect to such Extension, (ii) the representations and warranties set forth in Article VII and in each other Loan Document shall be deemed to be made and shall be true and correct in all material respects on and as of the effective date of such Extension, and (iii) the terms of such Extended Term Loans shall comply with paragraph (c) of this Section.

(c) The terms of each Extension shall be determined by the Borrower and the applicable extending Term Loan Lenders and set forth in an amendment to this Agreement effecting such Extension; provided that (i) the final maturity date of any Extended Term Loan shall be no earlier than the Term Loan Maturity Date, (ii) the Weighted Average Life to Maturity of the Extended Term Loans shall be no shorter than the Weighted Average Life to Maturity of the existing Term Loans, (iii) the Extended Term Loans will rank pari passu in right of payment and with respect to security with the existing Revolving Loans and the existing Term Loans and the borrower and guarantors of the Extended Term Loans, as applicable, shall be the same as the Borrower and Guarantors with respect to the existing Revolving Loans and Term Loans, (iv) the interest rate margin, rate floors, fees, original issue discount and premium applicable to any Extended Term Loans shall be determined by the Borrower and the applicable extending Term Loan Lenders, (v) the Extended Term Loans may participate on a pro rata or less than pro rata (but not greater than pro rata) basis in voluntary or mandatory prepayments with the other Term Loans and (vi) the terms of the Extended Term Loans, as applicable, shall be substantially identical to the terms set forth herein (except as set forth in clauses (i) through (v) above).

(d) In connection with any Extension, the Borrower, the Administrative Agent and each applicable extending Term Loan Lender shall execute and deliver to the Administrative Agent an amendment to this Agreement effecting such Extension and such other documentation as the Administrative Agent shall reasonably specify to evidence the Extension. The Administrative Agent shall promptly notify each Term Loan Lender as to the effectiveness of each Extension. Any amendment to this Agreement effecting such Extension may, without the consent of any other Term Loan Lender or any Revolving Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to implement the terms of any such Extension, including any amendments necessary to establish Extended Term Loans as a new Class or tranche of

Term Loans, as applicable, and such other technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such new Class or tranche (including to preserve the pro rata treatment of the extended and non-extended Classes or tranches), in each case on terms consistent with this Section.

ARTICLE III
Payments of Principal and Interest; Prepayments; Fees

Section 3.01 Repayment of Loans. The Borrower shall pay to the Administrative Agent, (a) for the account of each Term Loan Lender, the outstanding aggregate principal amount of and accrued and unpaid interest on the Term Loans in the applicable currency in which such Term Loan was funded, on the Term Loan Maturity Date and (b) for the account of each Revolving Lender, the outstanding aggregate principal amount of and accrued and unpaid interest on the Revolving Loans and Swingline Loans in the applicable currency in which such Revolving Loan or Swingline Loan was funded, as applicable, on the Revolving Maturity Date.

Section 3.02 Interest.

(a) ABR Loans. The Loans comprising each ABR Borrowing shall bear interest at the Base Rate plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(b) LIBOR Loans. The Loans comprising each LIBOR Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(c) EURIBOR Loans. The Loans comprising each EURIBOR Borrowing shall bear interest at the EURIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Margin, but in no event to exceed the Highest Lawful Rate.

(d) Swingline Loans. Swingline Loans shall bear interest at the Adjusted LIBO Rate for a one (1) month Interest Period that would be applicable to a Revolving Loan, as that rate may fluctuate in accordance with changes in the Adjusted LIBO Rate as determined on a day-to-day basis, plus the Applicable Margin that would be applicable to a LIBOR Loan, but in no event to exceed the Highest Lawful Rate.

(e) Post-Default Rate. Notwithstanding the foregoing, (i) if any amount of principal of any Loan is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at the Post-Default Rate, (ii) if any amount (other than principal of any Loan) payable by the Borrower under any Loan Document is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Majority Lenders, such amount shall thereafter bear interest at the Post-Default Rate and (iii) after an Event of Default described in Section 10.01(f) or Section 10.01(g) has occurred and is continuing, all outstanding amounts (including principal, fees and other obligations) under the Loan Documents shall automatically bear interest at the Post-Default Rate.

(f) Interest Payment Dates. Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan; provided that (i) interest accrued pursuant to Section 3.02(e) shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than an optional prepayment of an ABR Term Loan prior to the Term Loan Maturity Date or an optional prepayment of an ABR Revolving Loan prior to the Revolving Maturity Date), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any LIBOR Loan or EURIBOR 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. Any accrued and unpaid interest on the Term Loans shall be paid on the Term Loan Maturity Date and any accrued and unpaid interest on the Revolving Loans shall be paid on the Revolving Maturity Date.

(g) Interest Rate Computations. All interest with respect to LIBOR Loans or EURIBOR Loans hereunder shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest 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). All interest with respect to ABR Loans hereunder 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 Base Rate, LIBO Rate, Adjusted LIBO Rate and EURIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error, and be binding upon the parties hereto.

Section 3.03 Alternate Rate of Interest. If prior to the commencement of any Interest Period for a LIBOR Borrowing or a EURIBOR Borrowing:

(a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate or the EURIBO Rate, as the case may be, for such Interest Period; or

(b) the Administrative Agent is advised by the Majority Lenders that the Adjusted LIBO Rate or the EURIBO Rate, as applicable, for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or facsimile as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a LIBOR Borrowing or EURIBOR Borrowing, as the case may be, shall be ineffective; (ii) if any Borrowing Request requests a LIBOR Borrowing, such Borrowing shall be made as an ABR Borrowing and (iii) if any Borrowing Request requests a EURIBOR Borrowing, such request shall be ineffective (and no Lender shall be obligated to make a Loan on account thereof).

Section 3.04 Prepayments.

(a) Optional Prepayments. The Borrower shall have the right at any time and from time to time, subject to Section 3.04(d), to prepay any Borrowing in whole or in part, subject to prior notice in accordance with Section 3.04(b); provided that the Borrower shall not have the right to make any optional prepayment of Term Loans unless (i) such prepayment results in the payment in full of all Term Loans and is made in connection with an optional repayment in full of all of the Loans and the termination of all of the Commitments; (ii) such prepayment is made with the proceeds of any substantially contemporaneous (A) incurrence of

any Permitted Term Loan Refinancing Indebtedness, (B) Qualified Unsecured Indebtedness Offering or (C) Qualified Equity Issuance; (iii) if such prepayment is made in whole or in part with the proceeds of any Revolving Borrowing, then after giving effect to such Revolving Borrowing, (A) the Aggregate Revolving Commitments exceeds the Total Revolving Credit Exposure by not less than $300,000,000 (and the conditions to borrowing set forth in Section 6.03 are satisfied at such time) and (B) the Borrower is in compliance on a pro forma basis with the financial covenants contained in Section 9.10 that are applicable at such time as of the last day of the most recently ended Testing Period for which financial statements are available after giving pro forma effect to such Revolving Borrowing; or (iv) if such prepayment is made with any source other than those described in the foregoing clauses (ii) and (iii), at the time of such prepayment, the Aggregate Revolving Commitments exceeds the Total Revolving Credit Exposure by not less than $300,000,000. Optional prepayments of the Term Loans made in accordance with clauses (ii), (iii) or (iv) of the proviso to the immediately preceding sentence may be either partial or full prepayments of the Term Loans.

(b) Notice and Terms of Optional Prepayment. The Borrower shall notify the Administrative Agent by telephone, facsimile or e-mail (and, in the case of telephonic notice, confirmed by hand delivery, facsimile or e-mail) of any prepayment hereunder not later than 12:00 p.m., Eastern time, on 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 (which shall be (x) in the case of a prepayment of any ABR Borrowing or Swingline Borrowing, in an amount that is an integral multiple of $250,000 and not less than $250,000 or equal to the aggregate principal balance outstanding of such ABR Borrowing; (y) in the case of a prepayment of any LIBOR Borrowing, in an amount that is an integral multiple of $500,000 and not less than $1,000,000 or equal to the aggregate principal balance outstanding of such LIBOR Borrowing and (z) in the case of a prepayment of any EURIBOR Borrowing, in an amount that is an integral multiple of €500,000 and not less than €1,000,000 or equal to the aggregate principal balance outstanding of such EURIBOR Borrowing) and specify whether Revolving Loans or Term Loans are being repaid; provided that a notice of prepayment delivered by the Borrower may state that such notice is conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified prepayment date) if such condition is not satisfied, subject to the payment of any compensation required by Section 5.02. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the applicable Lenders of the contents thereof. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 3.02.

(c) Mandatory Prepayments.

(i) Until no Term Loans remain outstanding, and in the event and on each occasion that any Net Proceeds are received by or on behalf of Parent or any other Group Member in respect of any Prepayment Event, the Borrower shall, (x) within five Business Days after such Net Proceeds are received by Parent or any other Group Member that is a Domestic Subsidiary or (y) within 90 days after such Net Proceeds are received by any Group Member that is a Foreign Subsidiary, prepay the Term Loans as set forth in paragraph (v) below in an aggregate amount equal to (A) in the case of a Prepayment Event described in clause (c) of the definition of the term "Prepayment Event", 50.0% of such Net Proceeds, (B) in the case of a Prepayment Event of the type described in clause (d)(ii) of the definition of the term "Prepayment Event", 100% of such Net Proceeds attributable to the Excess Indebtedness Amount, and (C) in the case of all other Prepayment Events, 100% of such Net Proceeds; provided that, in the case of any event described in clause (a) or (b) of the definition of the term "Prepayment Event", if the Borrower shall deliver to the Administrative Agent a certificate of a Financial Officer to the effect that Parent or any of its Restricted Subsidiaries intend to apply the Net Proceeds from such event (or a portion thereof specified in such certificate), within 180 days after receipt of such Net Proceeds, to acquire (or replace or rebuild) real property, equipment or other tangible assets (excluding inventory) to be used in the business of Parent or any of its Restricted Subsidiaries, then, so long as no Default has occurred and is continuing, no prepayment shall be required pursuant to this paragraph in respect of the Net Proceeds specified in such certificate; provided further that (1) to the extent any such Net Proceeds therefrom have not been so applied by the end of such 180-day period, a prepayment shall be required on the first Business Day after the expiration of such period in an amount equal to such Net Proceeds that have not been so applied and (2) to the extent the aggregate Net Proceeds resulting from Prepayment Events of the type described in clause (a) of the definition thereof received by the Group Members that have not been applied either to prepay the Term Loans or to acquire (or replace or rebuild) real property, equipment or other tangible assets (excluding inventory) in accordance with this Section 3.04(c)(i) exceeds $35,000,000 at any given time, the Borrower shall, (x) within five Business Days if such excess Net Proceeds are held by Parent or any other Group Member that is a Domestic Subsidiary or (y) within 90 days if such excess Net Proceeds are held by any Group Member that is a Foreign Subsidiary, prepay the Term Loans as set forth in paragraph (v) below in an aggregate amount equal to such excess.

(ii) Until no Term Loans remain outstanding, the Borrower shall prepay the Term Loans as set forth in paragraph (v) below on the date that is ten days after the earlier of (A) the date on which Parent's annual audited financial statements for the immediately preceding Fiscal Year are delivered pursuant to Section 8.01(a) and (B) the date on which such annual audited financial statements were required to be delivered pursuant to Section 8.01(a), in an amount equal to (1) if the Total Leverage Ratio as of the last day of the Testing Period ending on the last day of such Fiscal Year is greater than 3.00 to 1.00, 50% of Excess Cash Flow for the immediately preceding Fiscal Year or (2) if the Total Leverage Ratio as of the last day of the Testing Period ending on the last day of such Fiscal Year is greater than 2.50 to 1.00 but less than or equal to 3.00 to 1.00, 25% of Excess Cash Flow for the immediately preceding Fiscal Year, in each case as set forth in paragraph (v) below. Each Excess Cash Flow prepayment shall be accompanied by a certificate signed by a Financial Officer certifying the manner in which Excess Cash Flow and the resulting prepayment were calculated, which certificate shall be in form and substance satisfactory to Administrative Agent. For the avoidance of doubt, if the Total Leverage Ratio as of the last day of the Testing Period ending on the last day of any Fiscal Year is less than or equal to 2.50 to 1.00, the Borrower shall have no obligation to prepay any outstanding Term Loans pursuant to this Section 3.04(c)(ii).

(iii) Until no Term Loans remain outstanding, the Borrower shall repay the Term Loans as set forth in paragraph (v) below on each anniversary of the Initial Availability Date in an amount equal to the lesser of (A) $12,250,000 and (B) the outstanding principal balance of the Term Loans.

(iv) If, after giving effect to any termination or reduction of the Aggregate Revolving Commitments pursuant to Section 2.06(b) or if for any other reason, the Total Revolving Credit Exposure exceeds the Aggregate Revolving Commitments, then the Borrower shall (A) prepay Borrowings on such date in an aggregate principal amount equal to such excess, and (B) if any excess remains after prepaying all of the Borrowings as a result of an LC Exposure, pay to the Administrative Agent on behalf of the Revolving Lenders an amount equal to such excess to be held as cash collateral as provided in Section 2.07(e).

(v) (A) Each prepayment of Term Loans pursuant to paragraphs (i) through (iii) above shall be applied, first, ratably to any ABR Borrowings then outstanding, and, second, to any LIBOR Borrowings then outstanding, and if more than one LIBOR Borrowing is then outstanding, to each such LIBOR Borrowing in such order as the Borrower shall elect and (B) each prepayment of Revolving Loans pursuant to paragraph (iv) above shall be applied, first, to any Swingline Loans then outstanding, second, ratably to any ABR Borrowings then outstanding, and, third, to any LIBOR Borrowings and EURIBOR Borrowings then outstanding, and if more than one LIBOR Borrowing or EURIBOR Borrowing is then outstanding, to each such LIBOR Borrowing or EURIBOR Borrowing in such order as the Borrower shall elect.

(vi) Prepayments pursuant to this Section 3.04(c) shall be accompanied by accrued interest to the extent required by Section 3.02 and any applicable prepayment premium required by Section 3.04(d).

(d) Prepayment Premium. Prepayments permitted or required under this Section 3.04 shall be without premium or penalty, except (a) as required under Section 5.02 and (b) that, in connection with any prepayment of any Term Loan prior to the first anniversary of the Initial Availability Date that is made contemporaneously with any Group Member's borrowing or incurrence of a Replacement Term Loan, a prepayment premium equal to one percent (1.0%) of the aggregate principal amount of Term Loans being repaid shall be due and payable by the Borrower on the date of such repayment.

Section 3.05 Fees.

(a) Revolving Commitment Fees. The Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender a commitment fee (the "Revolving Commitment Fee"), which shall accrue at the applicable rate set forth under the heading "Revolving Commitment Fees" in the table contained in the definition of "Applicable Margin" on the average daily amount (before deducting any outstanding Swingline Loans to the extent participations therein by the Revolving Lenders (other than the Swingline Lender) have not been funded by such Revolving Lenders) of the unused amount of the Revolving Commitment of such Revolving Lender during the Availability Period. Accrued Revolving Commitment Fees shall be payable in arrears on the last day of March, June, September and December of each year and on the Revolving Maturity Date, commencing on the first such date to occur after the date hereof. All Revolving Commitment Fees shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest 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) Letter of Credit Fees. The Borrower agrees to pay (i) to the Administrative Agent for the account of each Revolving Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Margin used to determine the interest rate applicable to Borrowings comprised of LIBOR Loans on the average daily amount of such Revolving Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Initial Availability Date to but excluding the later of the date on which such Revolving Lender's Revolving Commitment terminates and the date on which such Revolving Lender ceases to have any LC Exposure, (ii) to each Issuing Bank a fronting fee, which shall accrue at the rate of 0.200% per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) attributable to Letters of Credit issued by such Issuing Bank during the period from and including the Initial Availability Date to but excluding the later of the date of termination of the Aggregate Revolving Commitments and the date on which there ceases to be any LC Exposure attributable to Letters of Credit issued by such Issuing Bank and (iii) to each Issuing Bank, for its own account, its standard fees with respect to the issuance, amendment, 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 March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Initial Availability Date; provided that all such fees shall be payable on the Revolving Maturity Date and any such fees accruing after the Revolving Maturity Date shall be payable on demand. Any other fees payable to any Issuing Bank pursuant to this Section 3.05(a) 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 Highest Lawful 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) Administrative Agent Fees. The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent, including the fees set forth in the Administrative Agent Fee Letter.

(d) Ticking Fees. The Borrower agrees to pay to the Administrative Agent for the account of each Lender a ticking fee (the "Ticking Fee"), which shall accrue at a rate of 30.0 basis points (0.30%) on the daily amount of the Revolving Commitment and Term Loan Commitment of such Lender during the period from and including December 1, 2015 to but excluding the earlier of (i) the Initial Availability Date and (ii) the date on which the Commitments terminate. Accrued Ticking Fees shall be payable in arrears on the last day of March, June, September and December of each year and on the earlier of (i) the Initial Availability Date and (ii) the date on which the Commitments terminate, commencing on the first such date to occur after December 1, 2015. All Ticking Fees shall be computed on the basis of a year of 360 days, unless such computation would exceed the Highest Lawful Rate, in which case interest 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). For the avoidance of doubt, if the Initial Availability Date occurs prior to December 1, 2015, no Ticking Fees shall be payable by the Borrower.

ARTICLE IV
Payments; Pro Rata Treatment; Sharing of Set-offs

Section 4.01 Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

(a) Payments by the Borrower. The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 5.01, Section 5.02, Section 5.03 or otherwise) prior to 12:00 p.m., Eastern time, on the date when due, in immediately available funds, without defense, deduction, recoupment, set-off or counterclaim. Fees, once paid, shall be fully earned and shall not be refundable under any circumstances. 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 as specified in Section 12.01, except payments to be made directly to any Issuing Bank as expressly provided herein and except that payments pursuant to Section 5.01, Section 5.02, Section 5.03 and Section 12.03 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 in respect of any Loan shall be made in the currency of such Loan; all other payments (including reimbursement of disbursements made under any Offshore Currency Letters of Credit) hereunder shall be made in US Dollars.

(b) Application of Insufficient Payments. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties and (ii) second,

towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) Sharing of Payments by Lenders. If 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 or Swingline Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements or Swingline Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Term Loans, Revolving Loans and/or participations in LC Disbursements or Swingline Loans of other Lenders, as applicable, to the extent necessary 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 Term Loans, Revolving Loans and/or participations in LC Disbursements or Swingline Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest and (ii) the provisions of this Section 4.01(c) shall not be construed to apply to any payment made by the Borrower 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 Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this Section 4.01(c) shall apply). The 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 the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

Section 4.02 Presumption of Payment by the Borrower. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or any Issuing Bank 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 applicable Lenders or such Issuing Bank, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or such Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or 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.

Section 4.03 Certain Deductions by the Administrative Agent; Defaulting Lenders.

(a) Certain Deductions by the Administrative Agent. If any Lender shall fail to make any payment required to be made by it hereunder, including pursuant to Section 2.05(b), Section 2.07(c), Section 2.07(d), Section 4.02 or Section 12.03(b), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(b) Payments to Defaulting Lenders. If a Defaulting Lender (or a Lender who would be a Defaulting Lender but for the expiration of the relevant grace period) as a result of the exercise of a set off shall have received a payment in respect of such Lender's Revolving Credit Exposure and fails to purchase participations in the Loans and LC Disbursements pursuant to Section 4.01(c), which results in such Lender's Revolving Credit Exposure being less than its Applicable Revolving Percentage of the Total Revolving Credit Exposure, then no payment will be made to such Defaulting Lender until all amounts due and owing to the Revolving Lenders have been equalized in accordance with each Revolving Lender's Applicable Revolving Percentage of the Total Revolving Credit Exposure. Further, if at any time prior to the acceleration or maturity of the Loans, the Administrative Agent shall receive any payment in respect of principal of a Loan or a reimbursement of an LC Disbursement while one or more Defaulting Lenders shall be party to this Agreement, the Administrative Agent shall apply such payment first to the Borrowing(s) for which such Defaulting Lender(s) shall have failed to fund its pro rata share until such time as such Borrowing(s) are paid in full or each Lender (including each Defaulting Lender) is owed its Applicable Term Loan Percentage of the Term Loans and Applicable Revolving Percentage of the Revolving Loans then outstanding, as applicable. After acceleration or maturity of the Loans, subject to the first sentence of this Section 4.03(b), all principal will be paid ratably as provided in Section 10.02(c).

(c) Defaulting Lenders. Notwithstanding any provision of any Loan Document 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:

(i) Revolving Commitment Fees otherwise payable pursuant to Section 3.05(a) shall cease to accrue on the unfunded portion of the Revolving Commitment of such Defaulting Lender.

(ii) The Revolving Commitment and the Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether all Lenders, the Majority Lenders, the Majority Revolving Lenders or each adversely affected Lender have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 12.02), and no consent of such Defaulting Lender shall be required to take any action hereunder that requires the consent of all Lenders, the Majority Lenders, the Majority Revolving Lenders or each adversely affected Lender (including any consent to any amendment or waiver pursuant to Section 12.02), provided that any waiver, amendment or modification (A) that would increase the Commitment of such Defaulting Lender, (B) that would reduce the principal of any Loan owed to such Defaulting Lender or extend the final maturity thereof or (C) requiring the consent of all Lenders or each adversely affected Lender which affects such Defaulting Lender differently than all other Lenders or all other adversely affected Lenders, as the case may be, shall require the consent of such Defaulting Lender; provided further, that any amendment to the foregoing proviso shall require the consent of all Lenders, including any Defaulting Lenders.

(iii) If any LC Exposure or Swingline Exposure exists at the time a Revolving Lender becomes a Defaulting Lender, then:

(A) all or any part of such LC Exposure or Swingline Exposure shall be reallocated (effective as of the date such Revolving Lender becomes a Defaulting Lender) among the Non-Defaulting Lenders in accordance with their respective Applicable Revolving Percentages (for the purposes of such reallocation, the Defaulting Lender's Revolving Commitment shall be disregarded in determining the Non-Defaulting Lenders' Applicable Revolving Percentages), but only to the extent that (x) the sum of all Non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure and Swingline Exposure does not exceed the total of all Non-Defaulting Lenders' Revolving Commitments, (y) the sum of each Non-Defaulting Lender's Revolving Credit Exposure plus its reallocated share of such Defaulting Lender's LC Exposure and Swingline

Exposure does not exceed such Non-Defaulting Lender's Revolving Commitment and (z) no Event of Default has occurred and is continuing at such time;

(B) if the reallocation described in clause (A) above cannot, or can only partially, be effected, then the Borrower shall, within three (3) Business Days following written notice from the Administrative Agent, cash collateralize such Defaulting Lender's LC Exposure and Swingline Exposure (after giving effect to any partial reallocation pursuant to clause (A) above) in accordance with the procedures set forth in Section 2.07(e) for so long as such LC Exposure or Swingline Exposure is outstanding and the relevant Defaulting Lender remains a Defaulting Lender;

(C) if the Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to this Section 4.03(c)(iii), then the Borrower shall not be required to pay any participation fees to such Defaulting Lender pursuant to Section 3.05(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(D) if all or any portion of the LC Exposure of such Defaulting Lender is reallocated pursuant to this Section 4.03(c)(iii), then the fees payable to the Revolving Lenders pursuant to Sections 3.05(a) and 3.05(b) shall be adjusted in accordance with such Non-Defaulting Lenders' Applicable Revolving Percentages; and

(E) if any Defaulting Lender's LC Exposure is neither cash collateralized nor reallocated pursuant to this Section 4.03(c)(iii), then, without prejudice to any rights or remedies of any Issuing Bank or any Revolving Lender hereunder, all participation fees payable under Section 3.05(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the applicable Issuing Banks, ratably based on the portion of such LC Exposure attributable to Letters of Credit issued by each such Issuing Bank, until such LC Exposure is reallocated and/or cash collateralized pursuant to clause (A) or (B) above.

(d) So long as any Revolving Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure will be one hundred percent (100%) covered by the Revolving Commitments of the Non-Defaulting Lenders and/or cash collateral will be provided by the Borrower in accordance with Section 4.03(c), and participating interests in any such newly issued or increased Letter of Credit or newly made Swingline Loan shall be allocated among Non-Defaulting Lenders in a manner consistent with Section 4.03(c)(iii) (and Defaulting Lenders shall not participate therein).

(e) In the event that the Administrative Agent, the Borrower, the Issuing Banks and the Swingline Lender agree that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposures and Swingline Exposures of the Revolving Lenders shall be readjusted to reflect the inclusion of such Revolving Lender's Revolving Commitment, and on such date, if necessary as a result of a Revolving Loan funding pursuant to Section 2.07(d), such Revolving Lender shall purchase at par such of the Revolving Loans of the other Revolving Lenders as the Administrative Agent shall determine may be necessary in order for such Revolving Lender to hold such Revolving Loans in accordance with its Applicable Revolving Percentage; provided that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Revolving Lender's having been a Defaulting Lender.

ARTICLE V
Increased Costs; Break Funding Payments; Taxes; Illegality

Section 5.01 Increased Costs.

(a) Changes in Law. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement 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 LIBO Rate) or any Issuing Bank;

(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 contributions thereto; or

(iii) impose on any Lender or any Issuing Bank the London or European interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or LIBOR Loans or EURIBOR Loans, as the case may be, made by such Lender or any Letter of Credit 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 LIBOR Loan or EURIBOR Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or such Issuing Bank of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or such Issuing Bank hereunder (whether of principal, interest or otherwise) then, upon the request of such Lender or such Issuing Bank and subject to paragraphs (c) and (d) of this Section, the Borrower 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, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital and Liquidity Requirements. If any Lender or any Issuing Bank determines in good faith 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 or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such 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, subject to paragraphs (c) and (d) of this Section, the Borrower 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) Certificates. A certificate of a Lender or any Issuing Bank setting forth in reasonable detail 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 Section 5.01(a) or (b), shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d) Effect of Failure or Delay in Requesting Compensation. Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section 5.01 shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate such Lender or such Issuing Bank pursuant to this Section 5.01 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, delivers written notice to the Borrower 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 5.02 Break Funding Payments. In the event of (a) the payment of any principal of any LIBOR Loan or EURIBOR Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any LIBOR Loan into an ABR Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any LIBOR Loan or EURIBOR Loan on the date specified in any notice delivered pursuant hereto, or (d) the assignment of any LIBOR Loan or EURIBOR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 5.04(b), then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. 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 (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate or EURIBO Rate that would have been applicable to such 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 Loan), over (ii) 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 dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 5.02 shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

Section 5.03 Taxes.

(a) Defined Terms. For purposes of this Section 5.03, the term "Lender" includes any Issuing Bank and the term "applicable law" includes FATCA.

(b) 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 and discretion of an applicable Withholding Agent) requires the deduction or withholding of any Taxes 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, to the extent such Taxes are Indemnified Taxes, then the sum payable by the applicable Loan Party shall be increased as necessary so that after deduction or withholding for such Indemnified Taxes has been made (including such deductions and withholdings applicable to additional sums payable under this Section), the applicable Recipient receives an amount equal to the sum it would have received had no such deductions or withholdings for Indemnified Taxes been made.

(c) Payment of Other Taxes by the Borrower. 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.

(d) Indemnification by the Loan Parties. The Loan Parties shall jointly and severally indemnify each Recipient, within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other 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.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within twenty (20) days after demand therefor, for (i) any Indemnified Taxes or Other 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), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.04(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent or any Loan Party to the Lender from any other source against any amount due to the Administrative Agent or any Loan Party under this Section 5.03(e).

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 5.03, the Borrower 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.

(g) 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 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 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 5.03(g)(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,

(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), two (2) duly completed and executed copies 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, two (2) duly completed and executed copies of IRS Form W-8BEN-E 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, two (2) duly completed and executed copies of IRS Form W-8BEN-E 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) two (2) duly completed and executed copies 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 I-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) two (2) duly completed and executed copies of IRS Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, two (2) duly completed and executed copies of IRS Form W-8IMY, accompanied by a Form W-8ECI, W-8BEN, W-8BEN-E, U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-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 I-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 originals 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), duly completed and 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 any such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement regardless of whether they would otherwise be taken into account under the definition thereof in Section 1.02.

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

(h) Treatment of Certain Refunds. 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 pursuant to this Section 5.03 (including by the payment of additional amounts pursuant to this Section 5.03), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), 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). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (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 (h), in no event will the indemnified party be required to pay any amount to the indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes which it deems confidential) to the indemnifying party or any other Person.

(i) Survival. Each party's obligations under this Section 5.03 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.

Section 5.04 Mitigation Obligations; Replacement of Lenders.

(a) Designation of Different Lending Office. If any Lender requests compensation under Section 5.01, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.03, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 5.01 or Section 5.03, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The 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 (i) any Lender requests compensation under Section 5.01, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.03, (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 each Lender or the consent of each Lender affected thereby, the consent of the Majority 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 becomes a Defaulting Lender or a Notifying Lender, 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 Section 12.04(c)), all its interests, rights and obligations under this Agreement 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 received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, delayed or conditioned, (B) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, 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 Borrower (in the case of all other amounts) and (C) in the case of any such assignment resulting from a claim for compensation under Section 5.01 or payments required to be made pursuant to Section 5.03, 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 Borrower to require such assignment and delegation cease to apply. Notwithstanding the foregoing, any Lender being replaced pursuant to clause (iii) above shall not be required to make any such assignment and delegation if such Lender is a Secured Hedging Provider with any outstanding Swap Agreements with any Loan Party (to the extent obligations under such Hedging Agreements constitute Secured Obligations), unless on or prior thereto, all such Hedging Agreements have been terminated or novated to another Person and such Lender (or its Affiliate) shall have received payment of all amounts, if any, payable to it in connection with such termination or novation.

Section 5.05 Illegality. Notwithstanding any other provision of this Agreement, in the event that it becomes unlawful for any Lender or its Applicable Lending Office to honor its obligation to make or maintain LIBOR Loans or EURIBOR Loans either generally or having a particular Interest Period hereunder, then (a) such Lender shall promptly notify the Borrower and the Administrative Agent thereof and such Lender's obligation to make such LIBOR Loans or EURIBOR Loans, as the case may be (the "Affected Loans"), shall be suspended until such time as such Lender may again make and maintain such LIBOR Loans or EURIBOR Loans and (b)(i) all LIBOR Loans which are Affected Loans that would otherwise be made by such Lender shall be made instead as ABR Loans (and, if such Lender so requests by notice to the Borrower and the Administrative Agent, all LIBOR Loans which are Affected Loans of such Lender then outstanding shall be automatically converted into ABR Loans on the date specified by such Lender in such notice) and, to the extent that Affected Loans are so made as (or converted into) ABR Loans, all payments of principal which would otherwise be applied to such Lender's Affected Loans shall be applied instead to its ABR Loans and (ii) all EURIBOR Loans which are Affected Loans that would otherwise be made by such Lender shall not be required to be made or maintained (and no Lender shall be obligated to make a Loan on account thereof) and all payments of principal and interest with respect thereto shall be repaid on the last day of the then-current Interest Period applicable thereto.

ARTICLE VI
Conditions Precedent

Section 6.01 Conditions Precedent to the Effective Date. The Effective Date shall occur on the date on which each of the following conditions are satisfied (or waived in accordance with Section 12.02):

(a) the receipt by the Administrative Agent of the following documents, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance:

(i) counterparts of this Agreement signed on behalf of each party hereto (in such number as may be reasonably requested by the Administrative Agent);

(ii) a certificate of the Secretary or an Assistant Secretary (or its equivalent) of each of the Borrower and Parent, setting forth (A) resolutions of its board of directors (or equivalent governing body) with respect to the authorization of such Loan Party to execute and deliver the Loan Documents to which it is a party and to enter into the Transactions contemplated in those documents, (B) the officers (or the equivalent thereof) of such Loan Party (I) who will be signing the Loan Documents to which such Loan Party is a party and (II) who will, until replaced by another officer or officers (or the equivalent thereof) duly authorized for that purpose, act as a representative of such Loan Party for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the Transactions contemplated hereby, (C) specimen signatures of the authorized officers (or the equivalent thereof) referred to in clause (B)(I), and (D) the Organization Documents of such Loan Party, certified as being true and complete. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from such party to the contrary;

(iii) certificates with respect to the existence, qualification and good standing of the Borrower and Parent issued by the appropriate state agencies in the jurisdiction of organization of such Loan Party;

(iv) a pro forma consolidated balance sheet and related pro forma consolidated statement of income of Parent and its Consolidated Subsidiaries (A) for the Fiscal Year ended December 31, 2014 and (B) for each subsequent Fiscal Quarter ending at least forty-five (45) days before the Effective Date, in each case prepared after giving pro forma effect to the Separation Transaction as if the Separation Transaction had occurred on the last day of such period

(in the case of such balance sheet) or at the beginning of such period (in the case of such statement of income) and based on assumptions with respect to indebtedness and interest expense reasonably acceptable to the Administrative Agent; and

(v) projections of consolidated balance sheets, income statements and cash flow statements of Parent and its Consolidated Subsidiaries, which will be quarterly for the Fiscal Years ending December 31, 2015 and December 31, 2016, respectively, and annually thereafter through the Revolving Maturity Date;

(b) each Lender shall have received at least five (5) Business Days prior to the Effective Date all documentation and other information required by regulatory authorities or as may be required by the internal policies of the Administrative Agent or such Lender with respect to the Loan Parties under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act;

(c) each Lender shall have received copies, certified to by a Responsible Officer, of substantially final forms of the Separation Documents, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance; and

(d) the Administrative Agent, the Joint Lead Arrangers and the Lenders shall have received all fees due and payable to them on or prior to the Effective Date, including accrued ticking fees pursuant to Section 3.05(d) of the Existing Credit Agreement for the period from September 23, 2015 through and including the Effective Date.

Without limiting the generality of the provisions of Section 11.04, for purposes of determining compliance with the conditions specified in this Section 6.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required under this Section 6.01 to be consented to or approved by or acceptable or reasonably satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the date hereof specifying its objection thereto. The Administrative Agent shall notify the Borrower and the Lenders of the occurrence of the Effective Date, and such notice shall be conclusive and binding.

Section 6.02 Conditions Precedent to the Initial Availability 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 are satisfied (or waived in accordance with Section 12.02):

(a) the receipt by the Administrative Agent of the following documents, each of which shall be reasonably satisfactory to the Administrative Agent in form and substance:

(i) Notes duly completed and executed for each Lender that has requested a Revolving Note and/or Term Loan Note at least one Business Day prior to the Initial Availability Date;

(ii) the Security Instruments described on Exhibit F, duly completed and executed in sufficient number of counterparts for recording, if applicable;

(iii) each document (including any UCC financing statement) required by the Security Instruments or reasonably requested by the Administrative Agent to be filed, registered or recorded in order to perfect the security interests of the Administrative Agent, on behalf of the Secured Parties, in the Collateral;

(iv) all original stock certificates or other certificates evidencing any certificated Equity Interests pledged pursuant to the Security Instruments, together with an undated stock power for each such certificate duly executed in blank by the registered owner thereof;

(v) (A) a summary of insurance coverage of Parent and its Restricted Subsidiaries evidencing that they are carrying insurance in accordance with Section 7.18, (B) certificates with respect to the insurance carried by Parent and its Restricted Subsidiaries evidencing that the Administrative Agent has been named as an additional insured pursuant to Section 8.02(b) and (C) a Federal Emergency Management Agency Standard Flood Hazard Determination with respect to any real property Collateral subject to a Mortgage on which a Building or Manufactured (Mobile) Home is located;

(vi) results of UCC lien searches made against each Loan Party and each Pledgor in the jurisdiction of organization of such Loan Party or such Pledgor, as applicable, reflecting no prior Liens encumbering the Properties of such Loan Party or such Pledgor, as applicable, other than those being released on or prior to the Initial Availability Date and Permitted Liens;

(vii) a certificate of a Responsible Officer of the Borrower, certifying that (A) as of the Initial Availability Date, no Default or Event of Default has occurred and is continuing, (B) as of the Initial Availability Date, the representations and warranties contained herein are accurate in all material respects (except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects), (C) after giving effect to the Transactions and the Separation Transaction, the Borrower is in compliance on a pro forma basis with the financial covenants contained in Section 9.10 that are applicable at such time (calculated in a manner reasonably acceptable to the Administrative Agent as if the Transactions and the Separation Transaction were consummated on the last day of the most recently ended Testing Period for which financial statements are available (in the case of balance sheet matters) or the first day of such Testing Period (in the case of income statement matters)) and (D) attached thereto are full and complete copies of the executed Separation Documents (together with all of the schedules and exhibits thereto), which shall not have been modified from the Effective Date Versions in any manner that is adverse in any material respect to the Lenders (it being understood that, without limitation, any modification of the Separation Documents from what is set forth in the Effective Date Versions that would result in (1) assets with a material value that pursuant to the terms of the Effective Date Versions were to be owned by Parent and its Subsidiaries upon consummation of the Separation Transaction instead being allocated to EXH and its Subsidiaries upon consummation of the Separation Transaction or (2) liabilities in a material amount that pursuant to the terms of the Effective Date Versions were to be allocated to and assumed solely by EXH and its Subsidiaries upon consummation of the Separation Transaction instead being allocated to and assumed by Parent and its Subsidiaries upon consummation of the Separation Transaction, shall be deemed to be materially adverse to the Lenders, unless approved by the Majority Lenders);

(viii) evidence that (A) EXH's board of directors has authorized the consummation of the Separation Transaction in accordance with the Separation Documents, at which time Parent shall become a publicly-traded company whose common stock is traded on a recognized national stock exchange, and (B) the declaration of the date on which the common stock of Parent will be distributed to the stockholders of EXH (which shall be either the Initial Availability Date or the Business Day immediately following the Initial Availability Date) has been publicly announced;

(ix) a certificate of a Responsible Officer of EXH, certifying that (i) no further actions are required to be taken to consummate the Separation Transaction other than the passage of time (not to exceed one (1) Business Day from the date of such certificate) and (ii) there is no pending or, to the knowledge of such Responsible Officer, threatened litigation which could reasonably be expected to impede the consummation of the Separation Transaction within one (1) Business Day from the date of such certificate;

(x) a Borrowing Request in the form of Exhibit B with respect to any Borrowing to be made on the Initial Availability Date, duly completed and executed by the Borrower;

(xi) a favorable opinion of Sidley Austin LLP, counsel to the Loan Parties and the Pledgors;

(xii) a certificate of the Secretary or an Assistant Secretary (or its equivalent) of each Loan Party (other than Parent and the Borrower) and each Pledgor, setting forth (A) resolutions of its board of directors (or equivalent governing body) with respect to the authorization of such Loan Party or such Pledgor, as applicable, to execute and deliver the Loan Documents to which it is a party and to enter into the Transactions contemplated in those documents, (B) the officers (or the equivalent thereof) of such Loan Party or such Pledgor, as applicable, (I) who will be signing the Loan Documents to which such Loan Party or such Pledgor, as applicable, is a party and (II) who will, until replaced by another officer or officers (or the equivalent thereof) duly authorized for that purpose, act as a representative of such Loan Party or such Pledgor, as applicable, for the purposes of signing documents and giving notices and other communications in connection with this Agreement and the Transactions contemplated hereby, (C) specimen signatures of the authorized officers (or the equivalent thereof) referred to in clause (B)(I), and (D) the Organization Documents of such Loan Party or such Pledgor, as applicable, certified as being true and complete. The Administrative Agent and the Lenders may conclusively rely on such certificate until the Administrative Agent receives notice in writing from such party to the contrary; and

(xiii) certificates with respect to the existence, qualification and good standing of the Borrower, each other Loan Party and each Pledgor issued by the appropriate state agencies in (A) the jurisdiction of organization of such Loan Party or such Pledgor, as applicable, and (B) each other jurisdiction in which such Loan Party owns a material manufacturing facility as of the Initial Availability Date.

(b) After giving effect to any Revolving Borrowing made on the Initial Availability Date, the Aggregate Revolving Commitments shall exceed the Total Revolving Credit Exposure by not less than $200,000,000.

(c) The Administrative Agent shall have received evidence reasonably satisfactory to it that the principal of and interest on all loans and other obligations accrued or owing under the EXH Credit Agreement (whether or not then due) shall have been paid in full, all commitments thereunder shall have been terminated and all liens securing such obligations shall have been released (which payment, termination and release may be contemporaneous with the satisfaction of the conditions under this Section 6.02 and the application of proceeds of any Borrowings to occur on the Initial Availability Date); provided that the foregoing shall not be construed to require the termination of any of the Existing Letters of Credit.

(d) The Administrative Agent, the Joint Lead Arrangers and the Lenders shall have received all fees and other amounts due and payable to them on or prior to the Initial Availability Date, including, to the extent invoiced at least one Business Day prior to the Initial Availability Date, reimbursement or payment of all out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder or under any other Loan Document (including the reasonable fees, disbursements and other charges of counsel to the Administrative Agent).

The Administrative Agent shall notify the Borrower and the Lenders of the satisfaction of the foregoing conditions and the occurrence of the Initial Availability 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 12.02) at or prior to 11:59 p.m., Eastern time, on January 4, 2016 (and, in the event such conditions are not so satisfied or waived, the Commitments and this Agreement shall terminate).

Section 6.03 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing (including the initial funding), and of the Issuing Bank to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) 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, no Default or Event of Default shall have occurred and be continuing.

(b) The representations and warranties of the Loan Parties set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation or warranty that is already qualified or modified by materiality in the text thereof) 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, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, 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, such representations and warranties shall continue to be true and correct in all material respects as of such specified earlier date.

(c) The receipt by the Administrative Agent of a Borrowing Request in accordance with Section 2.03 or a Letter of Credit Request in accordance with Section 2.07, as applicable.

On the date of any Borrowing or any issuance, amendment, renewal or extension of any Letter of Credit, the Borrower shall be deemed to have made a representation and warranty that the conditions specified in Sections 6.03(a) and 6.03(b) have been satisfied.

ARTICLE VII
Representations and Warranties

Each of Parent and the Borrower represents and warrants to the Administrative Agent, the Issuing Banks and the Lenders at each time on or after the Effective Date that such representations and warranties are required to be made pursuant to the terms of this Agreement as follows:

Section 7.01 Legal Existence. Each of Parent, the Borrower and each Significant Domestic Subsidiary: (a) is a legal entity duly organized, legally existing and in good standing (if applicable) under the laws of the jurisdiction of its organization, except as permitted by Section 9.06 or Section 9.11; (b) has all requisite power, and has all material governmental licenses, authorizations, consents and approvals necessary to own its assets and carry on its business as now being or as proposed to be conducted; and (c) is qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure so to qualify would reasonably be expected to result in a Material Adverse Effect.

Section 7.02 Financial Condition. Since December 31, 2014, no change, event, development or circumstance has occurred or shall then exist that has had a Material Adverse Effect; provided that for purposes hereof, the consummation of the Separation Transaction shall be deemed not to have a Material Adverse Effect.

Section 7.03 Litigation. Except as set forth in Schedule 7.03, as of the Effective Date and as of the Initial Availability Date, there is no litigation, legal, administrative or arbitral proceeding, investigation or other action of any nature pending against or, to the knowledge of Parent or the Borrower, threatened against or affecting Parent, the Borrower or any of their respective Subsidiaries as to which there is a reasonable likelihood of any judgment or liability against Parent, the Borrower or any of their respective Subsidiaries which would reasonably be expected to have a Material Adverse Effect. No litigation is pending or, to the knowledge of Parent, threatened which enjoins, prohibits or restrains or, with respect to any threatened litigation, seeks to enjoin, prohibit or restrain, the making or repayment of any Loan, the issuance, amendment, renewal or extension of any Letter of Credit or the reimbursement of disbursements under any Letter of Credit or the consummation of the Transactions contemplated by this Agreement or any other Loan Document.

Section 7.04 No Breach. Each of the Transactions and, as of the Initial Availability Date, the Separation Transaction will not (a) contravene or result in a breach of the Organization Documents of any Group Member, (b) violate any Governmental Requirement applicable to or binding upon any Group Member or any of its Properties, except to the extent that any such violation, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (c) violate or result in a default under any indenture, agreement or instrument governing other Indebtedness aggregating $50,000,000 or more to which such Group Member is a party or by which it is bound or to which it or its Properties are subject, (d) violate or result in a default under any agreement or instrument to which such Group Member is a party or by which it is bound or to which it or its Properties are subject, except to the extent, in the case of this clause (d), that any such violation or default, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, or (e) result in the creation or imposition of any Lien upon any of the Properties of any Group Member, other than the Liens created by the Loan Documents.

Section 7.05 Authority. Each Group Member has all necessary power and authority to execute, deliver and perform its obligations under the Loan Documents to which it is a party; and the execution, delivery and performance by each Group Member of the Loan Documents to which it is a party have been duly authorized by all necessary action on its part; and the Loan Documents to which each Group Member is a party constitute the legal, valid and binding obligations of such Group Member, enforceable against such Group Member in accordance with their terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law).

Section 7.06 Approvals. No authorizations, approvals or consents of, and no filings or registrations with, any Governmental Authority are necessary for the execution, delivery or performance by any Group Member of the Loan Documents to which it is a party, for the borrowing of any Loan or the issuance, amendment, renewal or extension of any Letter of Credit hereunder, or for the validity or enforceability against any Group Member of any of the Loan Documents to which it is a party, except for (a) those that have been obtained or made and are in effect and (b) the recording and filing of financing statements and the Security Instruments as required by this Agreement.

Section 7.07 Use of Loans and Letters of Credit. The Borrower will use the proceeds of the Loans and Letters of Credit (a) for working capital, to reimburse drawings under Letters of Credit and for other general corporate purposes (including Capital Expenditures, acquisitions permitted hereunder, the funding of payments required under the Separation Documents, share repurchases, prepayment or refinancing of debt, dividends and payments in connection with the termination of Hedging Agreements); (b) to repay amounts owing under the Mirror Notes owing by the Borrower or any Restricted Subsidiary on the Initial Availability Date; and (c) to pay fees and expenses in connection with the Transactions and the Separation Transaction.

The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate, of buying or carrying margin stock (within the meaning of Regulation T, U or X of the Board) in violation of applicable law, including Regulation T, U or X of the Board, and no part of the proceeds of any Loan or Letter of Credit hereunder will be used for any purposes which violates the provisions of Regulation T, U or X of the Board.

Section 7.08 ERISA. Except as would not reasonably be expected to result in a Material Adverse Effect, each Loan Party and ERISA Affiliate is in compliance with applicable provisions of ERISA and the Code and the regulations and published interpretations thereunder with respect to each Plan. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. The present value of all accumulated benefit obligations under each Plan (based on the assumptions used for purposes of FASB Accounting Standards Codification No. 715) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than $100,000 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 FASB Accounting Standard Codification 715) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than $100,000 the fair market value of the assets of all such underfunded Plans, except in each case as could not reasonably be expected to result in a Material Adverse Effect. With respect to any Foreign Plan, the accrued benefit obligations (based on those assumptions used to fund such Foreign Plan) with respect to all current and former participants do not exceed the assets of such Foreign Plan, and each Foreign Plan is in compliance with all provisions of applicable law and all applicable regulations and published interpretations thereunder with respect to such Foreign Plan and with the terms of such Foreign Plan, except in each case as would not reasonably be expected to result in a Material Adverse Effect.

Section 7.09 Taxes. Except as set forth in Schedule 7.09, each of Parent, the Borrower and each Domestic Subsidiary has filed all United States Federal income tax returns and all other tax returns which, to the knowledge of Parent and the Borrower, are required to have been filed by them and have paid all Taxes due pursuant to such returns, except (i) for such Taxes as are being contested in good faith by appropriate proceedings and for which Parent, the Borrower or such Domestic Subsidiary has set aside on its books adequate reserves in accordance with GAAP or (ii) where failure to file such tax returns and pay such Taxes would not reasonably be expected to result in a Material Adverse Effect. The charges, accruals and reserves on the books of Parent, the Borrower and its Subsidiaries in respect of Taxes and other governmental charges are, in the opinion of Parent and the Borrower, adequate. No material Tax lien has been filed and, to the knowledge of Parent and the Borrower, no claim for the collection or assessment of Taxes is being asserted which, if determined adversely to Parent, the Borrower or any Domestic Subsidiary, would reasonably be expected to result in a Material Adverse Effect.

Section 7.10 Title, Etc.

(a) Except as set forth in Schedule 7.10, each Group Member has good title to, or valid leasehold interests in, its material Properties, (i) except in cases where the failure to have such title or leasehold interests would not reasonably be expected to result in a Material Adverse Effect and (ii) free and clear of all Liens, except Permitted Liens.

(b) Except for matters that would not reasonably be expected to have a Material Adverse Effect, (i) all leases and agreements necessary for the conduct of the business of each Group Member are valid and subsisting and in full force and effect and (ii) there exists no default or event or circumstance which with the giving of notice or the passage of time or both would give rise to a default under any such lease or agreement.

Section 7.11 No Material Misstatements. No written information, statement, exhibit, certificate, document or report (other than projections) furnished to the Administrative Agent and the Lenders (or any of them) by any Group Member in connection with the negotiation of this Agreement, including the Information Memorandum, or delivered hereunder (as modified or supplemented by other information so furnished), when taken as a whole with all other written information, statements, exhibits, certificates, documents and reports so furnished or delivered, contains any material misstatement of fact or omits to state a material fact necessary to make the statements contained therein not materially misleading in the light of the circumstances in which made. The financial projections concerning Parent and its Restricted Subsidiaries that have been made available to the Administrative Agent and the Lenders (or any of them) by any Group Member pursuant hereto or any other Loan Document have been prepared in good faith based upon assumptions believed by Parent and the Borrower to be reasonable at the time made, it being understood that such projections are subject to significant uncertainties, many of which are beyond the control of Parent, the Borrower and their respective Subsidiaries, and actual results may vary materially from the projections.

Section 7.12 Investment Company Act. Neither Parent nor any of its Subsidiaries is an “investment company” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940.

Section 7.13 Subsidiaries. As of the Effective Date, all Subsidiaries listed on Schedule 7.13 are either Restricted Subsidiaries or Unrestricted Subsidiaries as set forth therein. Parent has no Excluded Subsidiaries except as set forth on Schedule 7.13.

Section 7.14 Location of Offices. The Borrower’s principal place of business and chief executive office are located at the addresses stated on its signature page to this Agreement (or as set forth in a notice delivered to the Administrative Agent in writing pursuant to Section 12.01).

Section 7.15 Defaults. No Group Member is in material default under, nor has any event or circumstance occurred which, but for the expiration of any applicable grace period or the giving of notice, or both, would constitute a material default under, any material agreement or instrument to which such Group Member is a party or by which such Group Member is bound, which default would reasonably be expected to result in a Material Adverse Effect. No Default hereunder has occurred and is continuing.

Section 7.16 Environmental Matters. Except (a) as set forth in Schedule 7.16 or (b) as would not reasonably be expected to have a Material Adverse Effect:

(i) All Properties and operations of Parent and its Subsidiaries are and have been during the applicable statute of limitations period in compliance with all applicable Environmental Laws and the Responsible Officers of Parent and the Borrower do not know of any facts that would prevent Parent or any Subsidiary from maintaining compliance with such requirements during the term of this Agreement;

(ii) Neither Parent nor any of its Subsidiaries are subject to any pending or, to Parent’s or the Subsidiaries’ knowledge, threatened action, suit or proceeding by or before any court or Governmental Authority or any order or judgment that has not been completed, concerning compliance with Environmental Laws or alleging liability or remedial obligations under Environmental Laws and the Responsible Officers of Parent and the Borrower do not know of any facts that would make an action, suit, or proceeding or remedial obligation reasonably likely;

(iii) All notices, permits, licenses or similar authorizations, if any, required by Environmental Laws to be obtained or filed by Parent or any of its Subsidiaries in connection with its operations or Properties (including past operations and Properties during the applicable statute of limitations) have been duly obtained or filed by Parent or its Subsidiaries and Parent and its Subsidiaries are in compliance with the terms and conditions of all such notices, permits and licenses (and have been in the past during the applicable statute of limitations);

(iv) To the best of Parent’s and the Borrower’s knowledge, all Hazardous Materials, if any, generated at any Property of Parent or any of its Subsidiaries have been transported, treated and disposed of in accordance with applicable Environmental Laws, and are not the subject of any pending or, to Parent’s or the Borrower’s knowledge, threatened action by any Governmental Authority pursuant to Environmental Laws; and

(v) To the best of Parent’s and the Borrower’s knowledge, no Hazardous Materials have been Released on, at, under, to or from any current or past Property of Parent and its Subsidiaries in a manner or condition that would reasonably be expected to result in any material liability to, or obligation to undertake remediation on the part of, Parent or its Subsidiaries.

Section 7.17 Compliance with Laws. No Group Member has violated any Governmental Requirement or failed to obtain any license, permit, franchise or other governmental authorization necessary for the ownership of any of its Properties or the conduct of its business, which violation or failure would

(in the event such violation or failure were asserted by any Person through appropriate action) reasonably be expected to result in a Material Adverse Effect.

Section 7.18 Insurance. Parent has, and has caused all of its Significant Domestic Subsidiaries to have, insurance policies sufficient for compliance by each of them with all applicable requirements of law and of all agreements to which Parent or such Significant Domestic Subsidiary is a party, except where non-compliance therewith would not reasonably be expected to result in a Material Adverse Effect; such policies are valid, outstanding and enforceable policies and provide insurance coverage in at least such amounts and against at least such risks (but including in any event public liability) as are usually insured against by companies engaged in the same or similar businesses operating in the same or similar locations. The Administrative Agent has been named as an additional insured in respect of such liability insurance policies, and the Administrative Agent has been named as lender loss payee with respect to such property loss insurance policies. For the avoidance of doubt, unless an Event of Default has occurred and is continuing, any property loss insurance proceeds received by the Administrative Agent in its capacity as "lender loss payee" under the property loss insurance policies of any Group Member shall be remitted to the Borrower or the other applicable Group Member.

Section 7.19 Hedging Agreements. Schedule 7.19 sets forth, as of the Effective Date, a true and complete list of all Hedging Agreements (including commodity price swap agreements, forward agreements or contracts of sale which provide for prepayment for deferred shipment or delivery of oil, gas or other commodities) of each Group Member, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark-to-market value thereof as of the last day of the immediately preceding calendar month, all credit support agreements relating thereto (including any margin required or supplied), and the counterparty to each such agreement. The Borrower is an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder.

Section 7.20 Restriction on Liens. Except as set forth in Schedule 7.20 or as permitted under Section 9.15, no Group Member is a party to any agreement or arrangement (other than this Agreement and the Security Instruments), or subject to any order, judgment, writ or decree, which restricts or purports to restrict its ability to grant Liens pursuant to this Agreement and the Security Instruments to the Administrative Agent, for the benefit of the Secured Parties, on or in respect of its material Properties.

Section 7.21 Anti-Terrorism Law; Sanctions.

(a) No Loan Party nor any of its Subsidiaries, officers or directors or, to the knowledge of the Borrower, any of their respective Affiliates,

(i) is in violation in any material respect with any laws or regulations of the U.S., the UK, the European Union and, to the extent the laws of which are substantially similar to U.S. law, any other Governmental Authority, in each case relating to money laundering or terrorist financing, including, without limitation, (A) the Bank Secrecy Act, 31 U.S.C. sections 5301 et seq.; (B) the USA PATRIOT Act; (C) Laundering of Monetary Instruments, 18 U.S.C. section 1956; (D) Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity, 18 U.S.C. section 1957; (E) the Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations, 31 C.F.R. Part 103; and (F) any similar laws or regulations of such Governmental Authorities currently in force or hereafter enacted (collectively, the "Anti-Terrorism Laws") or

(ii) (A) is a Sanctioned Person or (B) engages in any dealings or transactions, or is otherwise associated, with any Sanctioned Person that would result in any violation of Sanctions.

(b) Each Loan Party has implemented and maintains in effect such policies and procedures, if any, as it reasonably deems appropriate, in light of its business and international activities, to ensure compliance by such Loan Party and its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and each Loan Party and its Subsidiaries and their respective officers and directors and, to the knowledge of such Loan Party, their respective Affiliates, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. No Borrowing or Letter of Credit, use of proceeds or other transaction contemplated by this Agreement would cause any party hereto to be in violation of any Anti-Corruption Law or applicable Sanctions.

(c) To the knowledge of Parent or any of its Subsidiaries, neither Parent nor any of its Subsidiaries is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offense or alleged offense under any anti-corruption, anti-terrorism, or anti-money laundering laws or Sanctions in which there is a reasonable possibility of an adverse decision which could reasonably be expected to have a Material Adverse Effect or affect the legality, validity or enforceability of the Loan Documents, and no such investigation, inquiry or proceeding is pending or, to the knowledge of Parent or any of its Subsidiaries, has been threatened.

Section 7.22 Security Instruments.

(a) Guaranty and Collateral Agreement. Upon the execution and delivery of the Guaranty and Collateral Agreement, the provisions of the Guaranty and Collateral Agreement shall be effective to create, in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable Lien on, and security interest in, all of the Collateral described therein, and (i) when financing statements and other filings in appropriate form are filed in the offices specified in the Guaranty and Collateral Agreement and (ii) upon the taking of possession or control by the Administrative Agent of the Collateral described therein with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Administrative Agent to the extent possession or control by the Administrative Agent is required by the Guaranty and Collateral Agreement), the Liens created by the Guaranty and Collateral Agreement shall constitute fully perfected first priority Liens on, and security interests in, all right, title and interest of the Loan Parties in such Collateral (other than such Collateral in which a Lien or a security interest cannot be perfected by filing, possession or control under the Uniform Commercial Code as in effect at the relevant time in the relevant jurisdiction), in each case free of all Liens other than Permitted Liens, and prior and superior to all other Liens other than Permitted Liens; provided that, with respect to any Collateral consisting of Equity Interests in Foreign Subsidiaries, the representations in this paragraph (a) shall be limited to Parent and the Borrower's knowledge.

(b) Mortgages. Upon the execution and delivery of the Mortgages, each Mortgage shall be effective to create, in favor of the Administrative Agent (or such other trustee as may be required or desired under local law) for the benefit of the Secured Parties, legal, valid and enforceable Liens on, and security interests in, all of the Collateral described therein, subject only to Permitted Liens, and when the Mortgages are filed in the offices specified on Schedule 7.22 (or, in the case of any Mortgage executed and delivered after the date hereof in accordance with the provisions of Section 8.01(i) or 8.06, as applicable, when such Mortgage is filed in the appropriate offices), the Mortgages shall constitute fully perfected first priority Liens on, and security interests in, all right, title and

interest of the Loan Parties party thereto in that portion of the Collateral described in such Mortgages constituting real property and fixtures affixed or attached to such real property, in each case prior and superior in right to any other person, other than Permitted Liens.

(c) Valid Liens. Each Security Instrument delivered pursuant to Section 8.04 or Section 8.06, upon execution and delivery thereof, is effective to create in favor of the Administrative Agent, for the benefit of the Secured Parties, legal, valid and enforceable Liens on, and security interests in, all of the Collateral described therein, and (i) when financing statements and other filings in appropriate form are filed or recorded in the appropriate offices as are required by such Security Instrument, and (ii) upon the taking of possession or control by the Administrative Agent of the Collateral described therein with respect to which a security interest may be perfected only by possession or control, the Liens created by such Security Instrument will constitute fully perfected first priority Liens on, and security interests in, all right, title and interest of the Loan Parties that are parties to such Security Instrument in such Collateral (other than such Collateral in which a Lien or security interest cannot be perfected by filing, possession or control under the Uniform Commercial Code as in effect at the relevant time in the relevant jurisdiction), in each case free of all Liens other than Permitted Liens; provided that, with respect to any Collateral consisting of Equity Interests in Foreign Subsidiaries, the representations in this paragraph (a) shall be limited to Parent and the Borrower's knowledge.

Section 7.23 Flood Insurance and Mortgage Related Matters. Except for the real property set forth on Schedule 7.23 as it may be supplemented from time to time by delivery of a written notice to the Administrative Agent, no Mortgage encumbers improved real property that contains Buildings or Manufactured (Mobile) Homes. For each such real property location, Schedule 7.23 sets forth the address of such location (where applicable) and the owner of record of such location, as such schedule may be supplemented from time to time by delivery of a written notice to the Administrative Agent. For each such real property location set forth on Schedule 7.23, the Loan Parties have either (a) obtained flood insurance in accordance with Section 8.02(b), with respect to each such parcel that is located in a "special flood hazard area" as defined in the Flood Insurance Laws or (b) obtained and delivered to the Administrative Agent a Federal Emergency Management Agency Standard Flood Hazard Determination demonstrating that such parcel is not located in such a "special flood hazard area".

It is understood and agreed that the representations and warranties set forth in Section 7.22 and Section 7.23 shall not be made at any time prior to the Initial Availability Date.

ARTICLE VIII
Affirmative Covenants

From and after the Initial Availability Date, each of Parent and the Borrower covenants and agrees that, until Payment in Full:

Section 8.01 Reporting Requirements. Parent shall deliver, or shall cause to be delivered, to the Administrative Agent:

(a) Financial Statements. (i) Within thirty (30) days after the same is required to be filed with the SEC or any successor agency (but in any event within 90 days of the end of each Fiscal Year), a copy of each annual report and any amendment to any annual report filed by Parent with the SEC or any successor agency pursuant to Section 13 or 15(d) of the Exchange Act (currently Form 10-K), (ii) within thirty (30) days after the same is required to be filed by Parent with the SEC or any successor agency (but in any event within sixty (60) days after the end of each of the first three Fiscal Quarters of each Fiscal Year), a copy of each quarterly report and any amendment to any quarterly report filed by Parent with the SEC or any successor agency pursuant to Section 13 or 15(d) of the Exchange Act (currently Form 10-Q), as the same may be amended from time to time, and (iii) promptly after the same become publicly available, but in any event within fifteen (15) days following the date the same are required to be filed with the SEC, all other reports, notices, proxy statements or other documents that are distributed by Parent to its shareholders generally and all regular and periodic final reports (including reports on Form 8-K) filed by Parent with the SEC, which are publicly available; provided, however, that Parent shall be deemed to have furnished the information required by this Section 8.01(a) if Parent shall have timely made the same available on "EDGAR" (or any successor thereto) and/or on its home page on the worldwide web (at the date of this Agreement located at http://exterran.com); provided further, however, that if the Administrative Agent is unable to access EDGAR (or any successor thereto) or Parent's home page on the worldwide web, Parent agrees to provide the Administrative Agent with paper copies of the information required to be furnished pursuant to this Section 8.01(a) promptly following notice from the Administrative Agent.

(b) Compliance Certificate. Within ten (10) Business Days of any delivery or deemed delivery of any annual report or quarterly report pursuant to paragraph (a) above, (i) a certificate substantially in the form of Exhibit D executed by a Responsible Officer of the Borrower (a "Compliance Certificate") (A) certifying as to the matters set forth therein and stating that no Default has occurred and is continuing as of the date thereof (or, if any Default has occurred and is continuing as of the date thereof, describing the same in reasonable detail) and (B) setting forth in reasonable detail the computations necessary to determine whether Parent is in compliance with Sections 9.10(a), 9.10(b) and 9.10(c) as of the end of the most recently ended Fiscal Quarter or Fiscal Year, as applicable; (ii) a report, in form and substance satisfactory to the Administrative Agent, setting forth as of the date of such certificate a true and complete list of all Hedging Agreements (including commodity price swap agreements, forward agreements or contracts of sale which provide for prepayment for deferred shipment or delivery of oil, gas or other commodities) to which any Group Member is a party, the material terms thereof (including the type, term, effective date, termination date and notional amounts or volumes), the net mark to market value therefor, any new credit support agreements relating thereto not listed in Schedule 7.19, any margin required or supplied under any credit support document, and the counterparty to each such agreement; and (iii) a report, in form and substance satisfactory to the Administrative Agent, setting forth as of the date of such certificate a true and complete list of all letters of credit permitted under Section 9.01(t), including the name of the Secured LC Provider providing each such letter of credit facility and the face amount thereof.

(c) Consolidating Financials. If, for any Testing Period, the percentage of EBITDA attributable to cash distributions received by Parent and its Consolidated Restricted Subsidiaries from Unrestricted Subsidiaries would represent greater than 5% of the EBITDA of Parent and its Consolidated Restricted Subsidiaries for such Testing Period, then Parent shall deliver, within 90 days after the end of each Fiscal Year and within 60 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, a consolidating balance sheet as of the last day of the most recently ended Fiscal Quarter and a consolidating income statement for the most recently ended Fiscal Quarter with respect to its Unrestricted Subsidiaries.

(d) Budget. Within ninety (90) days following the end of each Fiscal Year, a copy of the operating budget and capital budget of Parent and its Consolidated Restricted Subsidiaries for the succeeding Fiscal Year.

(e) Notice of Default, Etc. Promptly after a Responsible Officer of Parent or the Borrower obtains actual knowledge that any Default or event that has had a Material Adverse Effect has occurred, a notice of such Default or event, describing the same in reasonable detail and the action the Borrower proposes to take with respect thereto.

(f) Management Letters. Promptly after the receipt thereof by Parent, a copy of any "management letter" addressed to the board of directors of Parent from Parent's certified public accountants.

(g) Labor Disputes. Promptly upon becoming aware of any labor dispute which would result in a Material Adverse Effect, a notice of such dispute describing such dispute in detail and the action the Borrower proposes to take with respect thereto.

(h) Litigation. Prompt written notice of any litigation or governmental investigation or proceeding pending against Parent or any of its Subsidiaries which would result in a Material Adverse Effect.

(i) ERISA Events. Prompt written notice of 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 to any Loan Party in an aggregate amount exceeding $50,000,000.

(j) Other Matters. From time to time such other information regarding the business, affairs or financial condition of Parent, the Borrower or any Significant Domestic Subsidiary (including any Plan or Multiemployer Plan and any reports or other information required to be filed under ERISA) as the Administrative Agent may reasonably request.

Section 8.02 Maintenance, Etc.

(a) Generally. Except as otherwise permitted by Section 9.06 or Section 9.11, each of Parent and the Borrower shall, and shall cause each of the Significant Domestic Subsidiaries to: (i) preserve and maintain its legal entity existence and, with respect to Parent and the Borrower, maintain its legal entity existence in a jurisdiction of organization located in the United States or any State thereof; (ii) preserve and maintain all of its material rights, privileges, franchises, patents, trademarks, copyrights and licenses unless the failure to do so could not reasonably be expected to result in a Material Adverse Effect; (iii) comply with all Governmental Requirements to the extent the failure to comply with such requirements would have a Material Adverse Effect; (iv) pay and discharge all Taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its Property prior to the date on which penalties attach thereto, except for (A) any such Tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained in accordance with GAAP and (B) any such Tax, assessment, charge or levy, the nonpayment of which could not reasonably be expected to result in a Material Adverse Effect; (v) maintain in effect and enforce such policies and procedures, if any, as it deems appropriate using reasonable judgment in light of its business and operation (including its international operations), to ensure compliance by Parent, the Borrower, its Subsidiaries and their respective directors, officers employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions; and (vi) upon reasonable notice and to the extent reasonably requested by the Administrative Agent, permit representatives of the Administrative Agent, during normal business hours, to examine, copy and make extracts from its books and records, to inspect its Properties, and to discuss its business and affairs with its officers. Parent shall keep its books of record and account and the books of record and account of its Consolidated Subsidiaries in accordance with GAAP.

(b) Insurance. Each of Parent and the Borrower shall, and shall cause each of the Significant Domestic Subsidiaries to, maintain, with financially sound and reputable insurance companies, insurance policies which (i) are sufficient for compliance with all applicable requirements of law and of all agreements to which it is a party, except where non-compliance therewith would not reasonably be expected to result in a Material Adverse Effect; (ii) are valid, outstanding and enforceable policies; and (iii) provide insurance coverage in at least such amounts and against at least such risks (but including in any event public liability) as are usually insured against by companies engaged in the same or similar businesses operating in the same or similar locations. Within 90 days of the end of each Fiscal Year, Parent will furnish or cause to be furnished to the Administrative Agent a certificate of insurance coverage from the applicable insurers in form and substance reasonably satisfactory to the Administrative Agent and, if requested, will furnish the Administrative Agent copies of the applicable policies. Any insurance policy or policies insuring any of the Collateral shall be endorsed in favor of and made payable to the Administrative Agent (including by naming the Administrative Agent as "additional insured" and "lender loss payee", as applicable) and shall provide that the insurer will endeavor to give at least 30 days' prior notice of any cancellation to the Administrative Agent. With respect to each portion of real property Collateral located in the United States that is subject to a Mortgage on which a Building or Manufactured (Mobile) Home is located, Parent will, and will cause each Restricted Subsidiary to, obtain flood insurance in such total amount as the Administrative Agent or the Majority Lenders may from time to time reasonably require, if at any time the area in which any such Building or Manufactured (Mobile) Home is located is designated a "special flood hazard area" as defined in the Flood Insurance Laws.

(c) Operation of Properties. Each of Parent and the Borrower will, and will cause each of Parent's Restricted Subsidiaries to, operate its Properties or cause such Properties to be operated in a careful and efficient manner (i) in compliance with the practices of the industry, (ii) in compliance with all applicable contracts and agreements and (iii) in compliance in all material respects with all Governmental Requirements, except in each case where noncompliance therewith would not reasonably be expected to result in a Material Adverse Effect.

Section 8.03 Environmental Matters.

(a) Compliance. Each of Parent and the Borrower will, and will cause each of its Restricted Subsidiaries to, conduct their respective operations and maintain their respective Properties in compliance with applicable Environmental Laws, except in each case where noncompliance would not reasonably be expected to result in a Material Adverse Effect.

(b) Notice of Action. The Borrower will promptly notify the Administrative Agent in writing of any threatened action, investigation or inquiry by any Governmental Authority of which any of its Responsible Officers has knowledge in connection with any Environmental Laws if such action, investigation or inquiry would reasonably be expected to result in a Material Adverse Effect.

Section 8.04 Further Assurances. Upon the reasonable request of the Administrative Agent, each of Parent and the Borrower will, and will cause each of its Restricted Subsidiaries to, cure promptly any defects in the creation and issuance of the Notes and the execution and delivery of the Security Instruments and this Agreement. Upon the reasonable request of the Administrative Agent, each of Parent and the Borrower, at its expense, will, and will cause each of its Restricted Subsidiaries to, promptly execute and deliver to the Administrative Agent all such other documents, agreements and instruments to comply with or accomplish the covenants and agreements of any of the Loan Parties in the Security Instruments and this Agreement, or to further evidence and more fully describe the collateral intended as security for the Secured Obligations, or to correct any omissions in the Security Instruments, or to perfect, protect or preserve

any Liens created pursuant to any of the Security Instruments, or to make any recordings, to file any notices or obtain any consents, all as may be reasonably necessary or appropriate in connection therewith.

Section 8.05 Performance of Obligations under Loan Documents. The Borrower will pay the Loans and the Notes according to the reading, tenor and effect thereof; and Parent will, and will cause each of its Subsidiaries to, do and perform every act and discharge all of the obligations to be performed and discharged by them under the Security Instruments and this Agreement, at the time or times and in the manner specified.

Section 8.06 Collateral and Guarantees.

(a) Collateral.

(i) Subject to the proviso below, each of Parent and the Borrower shall, and shall cause each other Loan Party to, grant a Lien pursuant to the Security Instruments on substantially all of its Property located in the United States now owned or at any time hereafter acquired by it or any other Loan Party, including (A) all Equipment, Accounts, Chattel Paper, Documents, General Intangibles, Instruments and Inventory (as each such term is defined in the UCC), (B) all real property and (C) the Equity Interests in each Domestic Subsidiary and Foreign Subsidiary; and

(ii) subject to the proviso below, upon the formation or acquisition of any Significant Domestic Subsidiary or upon any Subsidiary becoming a Significant Domestic Subsidiary after the Initial Availability Date, the Borrower shall promptly:

(A) cause such Significant Domestic Subsidiary to grant a Lien pursuant to the Security Instruments on substantially all of its Property located in the United States now owned or at any time hereafter acquired by it, including, without limitation, all Equipment, Accounts, Chattel Paper, Documents, General Intangibles, Instruments, and Inventory (as each such term is defined in the UCC);

(B) pledge, or cause the appropriate Person to pledge, pursuant to the Guaranty and Collateral Agreement or the Pledge Agreement, as applicable, all of the Equity Interests in such Significant Domestic Subsidiary (and, to the extent certificated, deliver original stock certificates or other certificates evidencing the capital stock of such entity, together with an appropriate undated stock power for each certificate, duly executed in blank by the registered owner thereof);

(C) cause such Significant Domestic Subsidiary to grant a Mortgage on any real property owned by such Significant Domestic Subsidiary; and

(D) execute and deliver, or cause such Significant Domestic Subsidiary to execute and deliver, such other additional documents and certificates as shall reasonably be requested by the Administrative Agent; and

(iii) subject to the proviso below, upon the formation or acquisition of any Foreign Subsidiary or any Domestic Subsidiary that is not a Significant Domestic Subsidiary after the Initial Availability Date, Parent and the Borrower shall promptly:

(A) pledge, or cause the appropriate Person to pledge, pursuant to the Pledge Agreement, (1) 65% of the voting capital stock and 100% of the non-voting capital stock of each first-tier Foreign Subsidiary that is a CFC (and, to the extent certificated and to the extent that delivery of such certificates is not prohibited due to a Governmental Requirement, deliver original stock certificates or other certificates evidencing 65% of the voting capital stock and 100% of the non-voting capital stock of such entity, together with an appropriate undated stock power for each certificate duly executed in blank by the registered owner thereof) and (2) 100% of the capital stock of each Domestic Subsidiary that is not a Significant Domestic Subsidiary and each Foreign Subsidiary that is not a CFC or a Subsidiary of a CFC (and, to the extent certificated, deliver original stock certificates or other certificates evidencing the capital stock of such entity, together with an appropriate undated stock power for each certificate duly executed in blank by the registered owner thereof); and

(B) execute and deliver, or cause such Foreign Subsidiary or Domestic Subsidiary, as applicable, to execute and deliver, such other additional documents and certificates as shall reasonably be requested by the Administrative Agent;

provided that the foregoing clauses (i), (ii) and (iii) shall not require the creation or perfection of pledges of, security interests in or Mortgages on, (A) the Equity Interests in, and any Property of, any ABS Subsidiary, (B) any real property, whether leasehold interests or owned real property, located in any jurisdiction other than the United States, (C) any leasehold interests or any owned real property that has a book value of less than $5,000,000 on an individual basis (provided, however, if in the aggregate, the book value of all real property owned by any Loan Party or Restricted Subsidiary and not subject to a Mortgage ("Non-Mortgaged Real Property") exceeds $15,000,000 as of the last day of any Fiscal Quarter, then the Borrower shall, within thirty (30) days after delivery of the financial statements required to be delivered for such Fiscal Quarter pursuant to Section 8.01(a), deliver Mortgages with respect to as much of such real property as is necessary to ensure that the aggregate book value of all Non-Mortgaged Real Property as of the last day of such Fiscal Quarter does not exceed $15,000,000), (D) any Property identified on Schedule 8.06, (E) the Equity Interests owned by any Loan Party or a Restricted Subsidiary in a Joint Venture to the extent (but only to the extent) (i) the Organization Documents of such Joint Venture or any other agreement relating to such Joint Venture prohibit the granting of a Lien on such Equity Interests or (ii) such Equity Interests in such Joint Venture are otherwise pledged as collateral as permitted by Section 9.02(g), provided however, if any of the foregoing conditions cease to be in effect for any reason, then the Equity Interests in such Joint Venture shall automatically be subject to the lien and security interest pursuant to the Guaranty and Collateral Agreement, (F) any Property that in the reasonable judgment of the Administrative Agent, the cost of creating or perfecting such pledges, security interests or Mortgages on such Property would be excessive in view of the benefits to be obtained by the Lenders therefrom, (G) any assets directly or indirectly legally owned by any CFC or more than 65% of the capital stock of any CFC, (H) more than 65% of the voting Equity Interests of any Excluded Subsidiary, (I) any Property subject to a Lien permitted by Section 9.02(b), (d) or (e), (K) Equity Interests in Hanover Cayman Limited, Production Operators Cayman Inc. or Exterran (Thailand) Ltd. or (L) Equity Interests of a direct or indirect Subsidiary of any CFC; provided further that the Borrower and any Guarantor will have ninety (90) days to perfect Liens on Property acquired in an acquisition.

The Borrower will also (1) deliver a Federal Emergency Management Agency Standard Flood Hazard Determination with respect to each parcel of real property that becomes Collateral subject to a Mortgage pursuant to this Section 8.06(a) on which a Building or Manufactured (Mobile) Home is located and a policy of flood insurance that covers any such parcel that is located in a "special flood hazard area" as defined in the Flood Insurance Laws and (2) if reasonably requested

by the Administrative Agent with respect to each parcel of real property that becomes Collateral subject to a Mortgage pursuant to this Section 8.06(a), provide the Lenders with (x) title and extended coverage insurance covering such interest in real property in an amount equal to the estimated fair market value of such interest in real property (or such other amount as shall be reasonably acceptable by the Administrative Agent) as well as a current ALTA survey thereof, together with a surveyor's certificate and (y) any consents or estoppels reasonably deemed necessary or advisable by the Administrative Agent in connection with such Mortgage.

(b) Guarantees; Designation of Significant Domestic Subsidiaries. Parent and all Significant Domestic Subsidiaries as of the Initial Availability Date shall guarantee the Secured Obligations pursuant to the Guaranty and Collateral Agreement. Upon the formation or acquisition of any Significant Domestic Subsidiary after the Initial Availability Date or upon any Subsidiary becoming a Significant Domestic Subsidiary after the Initial Availability Date, such Significant Domestic Subsidiary shall (i) within ninety (90) days from its creation or acquisition, with respect to any newly created or acquired Significant Domestic Subsidiary or (ii) within thirty (30) days after the delivery of the most recent Fiscal Year end financial statements (or by such later date as may be agreed to by the Administrative Agent in its sole discretion), with respect to any Subsidiary becoming a Significant Domestic Subsidiary, execute and deliver a supplement to the Guaranty and Collateral Agreement pursuant to which it will guarantee the Secured Obligations. If, in the aggregate, the value of the Specified US Assets of the Wholly-Owned Domestic Subsidiaries that are not Guarantors exceeds $75,000,000 as of the last day of any Fiscal Quarter, then the Borrower shall designate as many of such Wholly-Owned Domestic Subsidiaries as Guarantors as is necessary to ensure that the value of the Specified US Assets of the Wholly-Owned Domestic Subsidiaries that are not Guarantors as of the last day of such Fiscal Quarter does not exceed $75,000,000, and Parent shall cause such Wholly-Owned Domestic Subsidiaries so designated to execute and deliver a supplement to the Guaranty and Collateral Agreement pursuant to which it will guarantee the Secured Obligations and to deliver customary documentation in connection therewith satisfactory to the Administrative Agent, in each case not later than thirty (30) days after delivery of the financial statements for such Fiscal Quarter required to be delivered pursuant to Section 8.01(a) (or by such later date as may be agreed to by the Administrative Agent in its sole discretion).

(c) Release of Collateral.

(i) The Borrower and the Guarantors are hereby authorized by the Administrative Agent and the Lenders to release any Liens granted by any of the Loan Parties on any Collateral that is Disposed of in compliance with Section 9.06, Section 9.08 or Section 9.11; provided that the Lien in favor of the Administrative Agent continues in the proceeds of such Disposition of such Collateral, or to the extent such Collateral is Disposed of to the Borrower or any Guarantor, such Lien continues in such Collateral.

(ii) Upon (A) a sale, transfer or other Disposition permitted under this Agreement (whether in a single transaction or a series of related transactions and whether by merger, consolidation or otherwise) of all the Equity Interests or Property of any Subsidiary (each such Subsidiary a "Transferred Subsidiary") to any Person that is not, at the time of such sale, transfer or other Disposition, the Borrower or a Subsidiary of the Borrower or (B) the dissolution of any Subsidiary as permitted under this Agreement (each such Subsidiary, a "Dissolved Subsidiary"), then such Transferred Subsidiary or Dissolved Subsidiary, as the case may be, shall, upon the consummation of such sale, transfer, other Disposition or dissolution, be automatically released without further action from its obligations under the applicable Guaranty and Collateral Agreement and its obligations to pledge and grant any Collateral owned by it pursuant to any Security Instrument, and no Secured Party have any claim against such Transferred Subsidiary or Dissolved Subsidiary, as the case may be, under any Loan Document, and, in the case of a sale of all of the Equity Interests of the Transferred Subsidiary, the pledge of such Equity Interests to the Administrative Agent pursuant to the Security Instruments shall be automatically released without further action.

(iii) Upon a Significant Domestic Subsidiary no longer being a Significant Domestic Subsidiary, then such Subsidiary shall (upon the consummation of such change from being a Significant Domestic Subsidiary, notice to the Administrative Agent of such change from being a Significant Domestic Subsidiary and request of the Administrative Agent to release the Significant Domestic Subsidiary) be released by the Administrative Agent from its obligations under the applicable Guaranty and Collateral Agreement and its obligations to pledge and grant any Collateral owned by it pursuant to any Security Instrument, and no Secured Party shall have any claim against such Subsidiary under such Security Instruments. For the avoidance of doubt and subject to Sections 8.06(c)(i), (ii), (iv) and (v), should such Subsidiary become a Significant Domestic Subsidiary again at any time, such Subsidiary shall at such time comply with the provisions of Section 8.06(a)(ii).

(iv) All Collateral shall be automatically released without further action from the Liens of the Administrative Agent and the Secured Parties upon Parent's receipt of an Investment Grade Rating with respect to its Index Indebtedness.

(v) The Administrative Agent shall execute and deliver to the Borrower all documents and instruments reasonably requested by the Borrower to further evidence any release, discharge and termination pursuant to this Section 8.06(c) of the liens, security interests and other rights in favor of the Administrative Agent in and to the assets of the Loan Parties under the Loan Documents.

Section 8.07 Post-Closing Matters. Within sixty (60) days after the Initial Availability Date (or such later date as may be agreed to by the Administrative Agent in its sole discretion), the Borrower the Borrower shall ensure that the following conditions are met:

(a) If requested by the Administrative Agent and required to induce the Title Insurance Company to issue the Title Insurance Policies in the form required by clause (b) below, the Administrative Agent shall have received, and the title insurance company issuing the policy referred to in clause (b) below (the "Title Insurance Company") shall have received, maps or plats of an as-built survey of the sites of real property that is Collateral subject to a Mortgage certified to the Administrative Agent and the Title Insurance Company in a manner reasonably satisfactory to them, with such certificate dated a date reasonably satisfactory to the Administrative Agent and the Title Insurance Company by an independent professional licensed land surveyor satisfactory to the Administrative Agent and the Title Insurance Company.

(b) If requested by the Administrative Agent, the Administrative Agent shall have received in respect of each tract or parcel of real property subject to a Mortgage a mortgagee's title insurance policy (or policies) or marked up unconditional binders for such insurance, or endorsements to existing title insurance policies (as applicable), in each case, in such amounts, and in form and substance, and with such endorsements, reasonably satisfactory to the Administrative Agent, insuring the Lien of each such Mortgage as a valid first priority mortgage or deed of trust Lien on such applicable real property subject only to Excepted Liens and to the standard exceptions customary in such policies (collectively, the "Title Insurance Policies").

(c) The Administrative Agent shall have received evidence reasonably acceptable to the Administrative Agent of payment by the Borrower of all premiums and other charges in connection with the issuance of the Title Insurance Policies, including without limitation all search and examination charges,

escrow charges and related charges of the Title Insurance Company.

(d) The Borrower and/or any applicable Group Member shall have executed and delivered such affidavits, certificates, information (including financial data) and instruments of indemnification (including a so-called "gap" indemnification) as shall be reasonably required to induce the Title Insurance Company to issue the Title Insurance Policies.

(e) The Administrative Agent shall have received a copy of all recorded documents referred to, or listed as exceptions to title in, the Title Insurance Policies referred to in clause (b) above and to the extent in Borrower's possession or control, a copy of all other material documents affecting the real property subject to a Mortgage requested by the Administrative Agent.

ARTICLE IX
Negative Covenants

From and after the Initial Availability Date, each of Parent and the Borrower covenants and agrees that, until Payment in Full:

Section 9.01 Indebtedness. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, incur, create, assume or permit to exist any Indebtedness, except:

(a) the Loans and any other Obligations and any guaranty of or suretyship arrangement for the Loans or any other Obligations;

(b) Indebtedness (including unfunded commitments) existing on the Effective Date that is reflected in the financial statements of Parent for the Fiscal Year ended December 31, 2014 or disclosed in Schedule 9.01 and any Permitted Refinancing Indebtedness in respect of any of the foregoing described in this clause (b);

(c) Permitted Term Loan Refinancing Indebtedness, so long as such Indebtedness is subject to the Term Loan Refinancing Intercreditor Agreement;

(d) accounts payable (for the deferred purchase price of Property or services) from time to time incurred in the ordinary course of business which, if greater than sixty (60) days past due, (i) are being contested in good faith by appropriate proceedings if reserves adequate under GAAP shall have been established therefor or (ii) do not exceed $25,000,000 in the aggregate outstanding at any time;

(e) Indebtedness under Hedging Agreements which are for bona fide business purposes and are not speculative;

(f) other unsecured Indebtedness of the Borrower and any Guarantor (other than any ABS Subsidiary); provided that (i) no Default or Event of Default exists and is continuing immediately before and immediately after giving pro forma effect to the incurrence of such Indebtedness, (ii) the maturity of such Indebtedness is at least six (6) months after the Revolving Maturity Date, (iii) the Weighted Average Life to Maturity of such Indebtedness is greater than the number of years (calculated to the nearest one-twelfth) from the date of incurrence of such Indebtedness to the Revolving Maturity Date, (iv) such Indebtedness either (A) has terms substantially similar to those customary in high-yield debt offerings or (B) (1) does not contain financial covenants that are additional to or are more restrictive than those contained herein and (2) in the reasonable judgment of a Financial Officer of the Borrower, does not contain other covenants and events of default that are materially more restrictive, taken as a whole, than those contained herein and (v) Parent is in compliance with the financial covenants set forth in Section 9.10 that are applicable at such time as of the last day of the most recently ended Testing Period for which financial statements are available after giving pro forma effect to the incurrence of such Indebtedness (calculated as if such Indebtedness was incurred on the last day of such Testing Period);

(g) Indebtedness (other than Indebtedness of any ABS Subsidiary) evidenced by Capital Lease Obligations and Purchase Money Indebtedness; provided that, except for intercompany Capital Leases, in no event shall the aggregate principal amount of Capital Lease Obligations and Purchase Money Indebtedness permitted by this clause (g) exceed (i) prior to the occurrence of a Qualified Capital Raise, $25,000,000 and (ii) following the occurrence of a Qualified Capital Raise, the greater of $50,000,000 and an amount equal to 2.5% of Consolidated Net Tangible Assets at any time outstanding;

(h) Indebtedness with respect to surety bonds, appeal bonds, advance payment bonds or customs bonds or associated with deposits, bank guarantees, customs, bids, performance, refund and surety bonds, standby letters of credit or surety and similar obligations of Parent or any Restricted Subsidiary required in the ordinary course of business or in connection with the enforcement of rights or claims of Parent or any of its Restricted Subsidiaries or in connection with judgments that do not result in a Default or an Event of Default;

(i) Indebtedness assumed by Parent or one of its Restricted Subsidiaries (other than an ABS Subsidiary), and Indebtedness of a Restricted Subsidiary (other than an ABS Subsidiary) acquired, pursuant to an acquisition or merger permitted pursuant to the terms of this Agreement (and extensions, renewals, refundings and refinancings thereof that do not increase the principal thereof except for costs incurring in connection with such extensions, renewals, refundings and refinancings) (provided that upon the incurrence of such Indebtedness, Parent is in pro forma compliance with the financial covenants described in Section 9.10 that are applicable at such time as of the last day of the most recently ended Testing Period for which financial statements are available after giving pro forma effect to the incurrence of such Indebtedness (calculated as if such Indebtedness was incurred on the last day of such Testing Period)) and any Permitted Refinancing Indebtedness in respect of any of the foregoing described in this clause (i);

(j) other Indebtedness, so long as, immediately after giving effect to the incurrence of any such Indebtedness, the aggregate principal amount of all Indebtedness incurred under this Section 9.01(j) and then outstanding does not exceed the greater of $50,000,000 and an amount equal to 2.5% of Consolidated Net Tangible Assets;

(k) Indebtedness of Parent or any of its Restricted Subsidiaries (other than an ABS Subsidiary) owed to Parent or any of its Restricted Subsidiaries (other than an ABS Subsidiary);

(l) Indebtedness of any Foreign Subsidiary used for such Foreign Subsidiary's and/or its Foreign Subsidiaries' working capital and general business purposes, so long as, immediately after giving effect to the incurrence of any such Indebtedness, (i) the aggregate principal amount of all Indebtedness incurred under this Section 9.01(l) and then outstanding does not exceed the greater of $200,000,000 and an amount equal to 7.5% of Consolidated Net Tangible Assets and (ii) the aggregate principal amount of all Indebtedness incurred under this Section 9.01(l) which is other than Non-Recourse Foreign Indebtedness and is then outstanding does not exceed the greater of $100,000,000 and an amount equal to 3.5% of Consolidated Net Tangible Assets;

(m) Indebtedness with respect to ABS Facilities (not including any Indebtedness permitted by Section 9.01(n)) subject to an intercreditor agreement satisfactory to the Administrative Agent, in an aggregate principal amount not to exceed $100,000,000 at any time outstanding; provided that neither the Borrower nor any Domestic Subsidiary other than the ABS Subsidiaries is liable for such Indebtedness;

(n) Indebtedness of any ABS Subsidiary owing to Parent or any of its Restricted Subsidiaries (other than an ABS Subsidiary) not to exceed the amount in Section 9.03(e);

(o) Indebtedness of any ABS Subsidiary owing to any other ABS Subsidiary;

(p) guarantees by a Loan Party of Indebtedness of any other Loan Party; provided that the Indebtedness so guaranteed is permitted under any of Sections 9.01(a) through (o);

(q) Indebtedness consisting of Specified Contingent Obligations (provided that upon the incurrence of such Indebtedness, Parent is in pro forma compliance with the financial covenants described in Section 9.10 that are applicable at such time as of the last day of the most recently ended Testing Period for which financial statements are available after giving pro forma effect to the incurrence of such Indebtedness (calculated as if such Indebtedness was incurred on the last day of such Testing Period));

(r) Indebtedness incurred to finance insurance premiums in the ordinary course of business in an aggregate principal amount not to exceed the amount of such insurance premiums;

(s) to the extent constituting Indebtedness, obligations of the Borrower owing to AROC Corp. pursuant to Sections 9.7 and 9.8 of the Separation and Distribution Agreement not to exceed $175,000,000 in the aggregate at any given time; and

(t) following the occurrence of a Qualified Capital Raise, Indebtedness in the form of letters of credit incurred or issued under any stand alone letter of credit facility so long as (i) such facility is provided by a Person that entered into such letter of credit facility while such Person was, or before such Person became, a Lender or Affiliate of a Lender, as the case may be, (ii) the stated amount of such Indebtedness does not exceed $50,000,000 in the aggregate at any given time, provided, however, that with respect to any such letter of credit that, by its terms or the terms of any agreement or document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such letter of credit 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 such time, (iii) such facility (A) does not contain financial covenants that are additional to or are more restrictive than those contained herein and (B) in the reasonable judgment of a Financial Officer of the Borrower, does not contain other covenants and events of default that are materially more restrictive, taken as a whole, than those contained herein and (iv) the Borrower shall provide the Administrative Agent the information required under Section 8.01(b) with respect to such letter of credit facilities, and upon the reasonable request of the Administrative Agent from time to time, provide any other information with respect to such letter of credit facilities or copies of such letters of credit and any agreements or documents related thereto.

Section 9.02 Liens. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or permit to exist any Lien on any of its Properties (now owned or hereafter acquired), except for the following (herein referred to as "Permitted Liens"):

(a) Liens arising under the Loan Documents;

(b) Liens disclosed in Schedule 9.02;

(c) Excepted Liens;

(d) Liens securing Indebtedness permitted under Sections 9.01(i) or (j) and Liens securing obligations that are not Indebtedness, so long as, immediately after giving effect to the incurrence of any such Liens, the aggregate principal amount of Indebtedness and the aggregate amount of other obligations then outstanding and secured by any Liens incurred under this Section 9.02(d) does not exceed (i) prior to the occurrence of a Qualified Capital Raise, $25,000,000 and (ii) following the occurrence of a Qualified Capital Raise, the greater of $125,000,000 and an amount equal to 5.0% of Consolidated Net Tangible Assets; provided that (A) such Liens securing Indebtedness permitted under Section 9.01(i) do not extend to or cover any Property other than the Property that secured such Indebtedness prior to the time it was acquired or assumed (and any repairs, renewals, replacements, additions, accessions, betterments, improvements, modifications or proceeds thereof or of the foregoing and any receivables, contract rights or intangibles related thereto) and (B) such Liens do not extend to or cover any Property that is Collateral;

(e) Liens securing Capital Lease Obligations and Purchase Money Indebtedness described in Section 9.01(g); provided that such Liens may only encumber the Property under lease or acquired, constructed or improved (and any repairs, renewals, replacements, additions, accessions, betterments, improvements, modifications or proceeds thereof or of the foregoing and any receivables, contract rights or intangibles related thereto);

(f) Liens on assets of Foreign Subsidiaries under Foreign Credit Facilities;

(g) Liens (i) on Equity Interests in a Joint Venture owned by any Loan Party or a Restricted Subsidiary to secure Joint Venture Obligations or (ii) arising under joint venture agreements, partnership agreements and other agreements arising in the ordinary course of business of Parent and its Restricted Subsidiaries that are customary in any of the lines of business permitted under Section 9.05;

(h) Liens on Property held or pledged in connection with any ABS Facility, provided that such Liens do not extend to or cover any Property of Parent or any of its Restricted Subsidiaries other than Property of the ABS Subsidiaries;

(i) Liens on Property of any Subsidiary in favor of Parent, the Borrower or any Domestic Subsidiary securing obligations or Indebtedness owing from such Subsidiary to Parent, the Borrower or any Domestic Subsidiary;

(j) Liens securing Indebtedness permitted under Section 9.01(r), provided that no such Lien may extend to or cover any assets or property other than the insurance being acquired with such financing, the proceeds thereof and any unearned or refunded insurance premiums related thereto; and

(k) Liens securing Permitted Term Loan Refinancing Indebtedness, so long as such Indebtedness and such Liens are subject to a Term Loan Refinancing Intercreditor Agreement.

Section 9.03 Investments. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, make any Investments in any Person, except that the foregoing restriction shall not apply to:

(a) Cash Equivalents;

(b) Investments in connection with any acquisition of assets, business units or companies; provided, however, that (i) such acquisition shall not be a hostile takeover of a company and (ii) both immediately before and immediately after giving pro forma effect to such acquisition and any Indebtedness incurred to make such acquisition, no Default or Event of Default shall exist and be continuing;

(c) Investments reflected in the audited financial statements of Parent as of and for the Fiscal Year ending December 31, 2014 or which are disclosed in Schedule 9.03;

(d) accounts receivable and notes receivable arising in the ordinary course of business, and investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary or advisable in order to prevent or limit loss;

(e) Investments by Parent or by any of its Restricted Subsidiaries in any Restricted Subsidiary or in Parent; provided that the aggregate amount of Investments (including the loans permitted under Section 9.01(n)) in the ABS Subsidiaries by Parent and the other Restricted Subsidiaries shall not exceed at any time an amount equal to the value of the Property Disposed of to the ABS Subsidiaries pursuant to Section 9.11(c) (measured as of the date of the applicable Disposition);

(f) Investments otherwise permitted by Section 9.01;

(g) other Investments, so long as, immediately after giving effect to the making of any such Investments, the aggregate amount of Investments made pursuant to this Section 9.03(g) and then outstanding does not exceed the greater of $50,000,000 and an amount equal to 2.5% of Consolidated Net Tangible Assets;

(h) payroll advances and employee loans up to $10,000,000 in the aggregate outstanding at any time;

(i) following the occurrence of a Qualified Capital Raise, Investments in Unrestricted Subsidiaries, Joint Ventures, minority interests in Persons or similar arrangements so long as after giving pro forma effect to any such Investment, (A) no Default or Event of Default has occurred and is continuing at the time of and immediately after giving effect to any such Investment and (B) the Senior Secured Leverage Ratio is less than 2.50 to 1.00 as of the last day of the most recently ended Testing Period for which financial statements are available. For purposes of this Section 9.03(i), the Senior Secured Leverage Ratio shall be calculated on a pro forma basis to include any Senior Secured Indebtedness incurred to make such Investment (as if such Indebtedness was incurred on the last day of the applicable Testing Period); and

(j) Investments in securities acquired in settlements of claims and disputes.

Section 9.04 Restricted Payments. Parent will not pay any dividend on its Equity Interests, purchase, redeem or otherwise acquire for value any of its Equity Interests now or hereafter outstanding, return any capital to any holders of its Equity Interests or make any distribution of assets to any holders of its Equity Interests (each of the foregoing, a "Restricted Payment"), except that:

(a) Parent may pay dividends on its Equity Interests payable solely in additional Equity Interests (other than Disqualified Capital Stock);

(b) Parent may make Restricted Payments with the proceeds received from any substantially concurrent issuance of additional Equity Interests in Parent (other than Disqualified Capital Stock);

(c) Parent may make payments in lieu of issuing fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests in Parent;

(d) Parent may purchase, redeem or otherwise acquire for value any of its Equity Interests held by any current or former officers, directors or employees of Parent or any of its Restricted Subsidiaries or any former officers, directors or employees of EXH or any of its Subsidiaries in connection with the exercise or vesting of any equity compensation (including stock options, restricted stock and phantom stock) (i) if such Equity Interests represent a portion of the exercise or exchange price thereof, (ii) in order to satisfy any tax withholding obligation with respect to such exercise or vesting or (iii) in order to satisfy any obligations of Parent or its Restricted Subsidiaries under the Separation Documents;

(e) so long as no Default has occurred and is continuing, Parent may purchase, redeem or otherwise acquire or retire for value any Equity Interests issued by Parent or any Restricted Subsidiary pursuant to any director or employee equity subscription agreement or stock option agreement or other employee benefit plan or to satisfy obligations under any Equity Interests appreciation rights or option plan or similar arrangement; provided that the aggregate amount of payments under this clause (e) during any Fiscal Year shall not exceed $10,000,000, with any portion of such $10,000,000 that is unused in any Fiscal Year to be carried forward to successive Fiscal Years and added to such amount; and

(f) so long no Default or Event of Default exists immediately before and immediately after giving effect thereto, Parent may make any Restricted Payment if (i) prior to the occurrence of a Qualified Capital Raise, the Total Leverage Ratio, calculated on a pro forma basis to include any Indebtedness incurred to make such Restricted Payment (as if such Restricted Payments were made on the last day of the applicable Testing Period), is less than 2.00 to 1.00 or (ii) following the occurrence of a Qualified Capital Raise, the Senior Secured Leverage Ratio, calculated on a pro forma basis to include any Senior Secured Indebtedness incurred to make such Restricted Payment (as if such Restricted Payments were made on the last day of the applicable Testing Period), is less than 2.50 to 1.00, in each case as of the last day of the most recently ended Testing Period for which financial statements are available.

Section 9.05 Nature of Business; Activities of Parent.

(a) Parent will not, and will not permit any of its Restricted Subsidiaries to, allow any material change to be made in the character of the business of Parent and its Restricted Subsidiaries, taken as a whole, other than (i) businesses reasonably related or ancillary thereto and (ii) businesses that constitute reasonable extensions thereof, including natural gas or other hydrocarbon gathering, processing, treating, transportation and production.

(b) Notwithstanding the foregoing or anything else in this Agreement to the contrary, Parent will not own any real property, immovable property or any other material assets or engage in any operations or business, other than (i) its direct or indirect ownership of its Subsidiaries, (ii) ownership of immaterial leases of real property, (iii) providing employees and related services to its Subsidiaries and other activities ancillary to owning its Subsidiaries, (iv) Investments permitted under Section 9.03, and (v) other miscellaneous activities ancillary to maintaining its existence as a holding company that owns the Borrower.

Section 9.06 Mergers, Etc. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, merge into or with or consolidate with any other Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of the Property of Parent and its Restricted Subsidiaries, taken as a whole, to any other Person, except that:

(a) subject to Section 9.05(b), any Restricted Subsidiary (other than the Borrower) may be merged into or consolidated with, or Dispose of all or substantially all of its Property, to (i) the Borrower or Parent, so long as the Borrower or Parent, as applicable, is the surviving business entity, or (ii) another Restricted Subsidiary;

(b) any Restricted Subsidiary (other than the Borrower) may merge into or consolidate with any Person other than another Group Member if (i) such Restricted Subsidiary is the surviving entity, (ii) such other Person is the surviving entity and becomes a Restricted Subsidiary contemporaneously with such merger or consolidation and complies with Section 8.06 (to the extent applicable) or (iii) such other Person is the surviving entity and the merger or consolidation constitutes a Disposition permitted by Section 9.11;

(c) subject to Section 9.05(b), Parent or the Borrower may merge into or consolidate with any Person so long as (i) immediately after giving effect thereto, no Default or Event of Default shall have occurred and be continuing and (ii) Parent or the Borrower, as applicable, is the surviving business entity (or, so long as no Change in Control shall have occurred, the surviving entity is a Person organized under the laws of the United States or any state thereof that assumes all of the obligations and liabilities applicable to Parent or the Borrower, as applicable, under this Agreement and the other Loan Documents); and

(d) any Restricted Subsidiary (other than any Loan Party) may liquidate or dissolve so long as Parent determines in good faith that such liquidation or dissolution is in the best interest of such Person.

Section 9.07 Proceeds of Loans; Letters of Credit.

(a) The Borrower will not permit the proceeds of the Loans or Letters of Credit to be used for any purpose other than those permitted by Section 7.07. Neither the Borrower nor any Person acting on behalf of the Borrower has taken or will take any action which might cause any of the Loan Documents to violate Regulation T, U or X or any other regulation of the Board or to violate Section 7 of the Exchange Act or any rule or regulation thereunder, in each case as now in effect or as the same may hereinafter be in effect.

(b) The Borrower will not request any Borrowing or Letter of Credit, 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 Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 9.08 Sale or Discount of Receivables. Each of Parent and Borrower will not, and will not permit any of its Restricted Subsidiaries to, discount or sell (with or without recourse) any of its notes receivable or accounts receivable, except (i) in the ordinary course of business or (ii) in connection with any ABS Facility, so long as such Disposition is permitted pursuant to Section 9.11.

Section 9.09 Fiscal Year Change. Parent will not permit any change in its Fiscal Year.

Section 9.10 Financial Covenants.

(a) Interest Coverage Ratio. Parent will not permit the Interest Coverage Ratio as of the last day of any Testing Period, beginning with the Testing Period ending on the last day of the Fiscal Quarter during which the Initial Availability Date occurs, to be less than 2.25 to 1.00.

(b) Total Leverage Ratio. Parent will not permit the Total Leverage Ratio as of the last day of any Testing Period, beginning with the Testing Period ending on the last day of the Fiscal Quarter during which the Initial Availability Date occurs, to be greater than (i) prior to the occurrence of a Qualified Capital Raise, 3.75 to 1.00 and (ii) following the occurrence of a Qualified Capital Raise, 4.50 to 1.00.

(c) Senior Secured Leverage Ratio. Parent will not permit the Senior Secured Leverage Ratio as of the last day of any Testing Period, beginning with the Testing Period ending on the last day of the Fiscal Quarter during which a Qualified Capital Raise occurs, to be greater than 2.75 to 1.00.

Section 9.11 Disposition of Properties. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, Dispose of any Property to any Person other than to Parent, the Borrower or to any of its Restricted Subsidiaries (other than an ABS Subsidiary), except that:

(a) any Group Member may Dispose of any Property which, in the reasonable judgment of such Person, is obsolete, worn out or otherwise no longer useful in the conduct of such Person’s business;

(b) any Group Member may Dispose of inventory or equipment in the ordinary course of business or may Dispose of accounts receivable and notes receivable arising in the ordinary course of business, and investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary or advisable in order to prevent or limit loss;

(c) any Group Member may Dispose of any of its Property to an ABS Subsidiary to serve as collateral for Indebtedness of such ABS Subsidiary permitted by Section 9.01(m) so long as, immediately after giving effect to any such Disposition, the aggregate fair market value of all collateral securing Indebtedness of the ABS Subsidiaries payable to a Person other than a Group Member does not exceed 155% of the aggregate outstanding principal amount of all Indebtedness of the ABS Subsidiaries payable to a Person other than a Group Member at such time;

(d) any ABS Subsidiary may Dispose of Property to any Group Member;

(e) any Group Member may Dispose of Property as otherwise permitted by Section 9.03(g) or 9.03(i);

(f) any Group Member (other than any ABS Subsidiary) may Dispose of the property listed on Schedule 9.11(f);

(g) any Disposition of assets resulting from an expropriation, involuntary taking or similar action by a foreign government or the claims related thereto (including any receipt of proceeds related thereto or the subsequent sale or other Disposition of any non-cash consideration received therefrom) shall be permitted;

(h) any Group Member may Dispose of any of its Property in accordance with the Separation Documents as in effect on the Initial Availability Date as certified to by a Responsible Officer of the Borrower in accordance with Section 6.02(a)(vii) and as may be amended, supplemented or otherwise modified from time to time thereafter (without giving effect to any amendment, supplement or modification that provides for a material increase in the value of the Property required or permitted to be transferred by any Group Member to non-Group Members after the Initial Availability Date);

(i) any Group Member may grant in the ordinary course of business of any non-exclusive license of patents, trademarks, registrations therefor and other similar intellectual property;

(j) any Group Member may enter into Asset Swaps; provided that (i) with respect to any Asset Swap for which the relevant purchase and sale or exchange, as applicable, are completed within thirty (30) days of each other, Parent shall be in pro forma compliance with the financial covenants set forth in Section 9.10 that are applicable at such time after giving effect to such purchase and sale or exchange and (ii) the aggregate value of the assets or properties Disposed of in connection with Asset Swaps for which the relevant purchase and sale or exchange, as applicable, are completed more than thirty (30) days apart shall not exceed $15,000,000 in any given Fiscal Year;

(k) any Group Member may Dispose of Investments in Joint Ventures to the extent required by, or made pursuant to customary buy/sell arrangements between the Joint Venture parties set forth in, Joint Venture agreements or any similar binding arrangements;

(l) any Group Member may Dispose of, in a single transaction (or series of related transactions), any of its Property which has an individual fair market value not in excess of $2,500,000;

(m) in addition to Dispositions permitted by clauses (a) through (l) above, the Group Members may Dispose of any other Properties; provided that the net book value of the Properties Disposed of pursuant to this Section 9.11(m) during any Fiscal Year shall not exceed an amount equal to 5.0% of Consolidated Net Tangible Assets as of the last day of the immediately preceding Fiscal Year.

provided that all Dispositions made pursuant to paragraphs (c) and (d) above (other than leases entered into pursuant to paragraph (c) above) shall be made for fair market value.

Section 9.12 Environmental Matters. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, cause or permit any of its Property to be in violation of, or do anything or permit anything to be done which will subject any such Property to any remedial obligations under any Environmental Laws, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to such Property, in each case to the extent such violations or remedial obligations would reasonably be expected to have a Material Adverse Effect.

Section 9.13 Transactions with Affiliates. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, enter into any transaction, including any purchase, sale, lease or exchange of Property or the rendering of any service, with any Affiliate unless such transaction is not prohibited by the terms of this Agreement and is upon fair and reasonable terms that Parent, the Borrower or such Restricted Subsidiary, as applicable, reasonably believes to be comparable to those available in an arm's length transaction with a Person not an Affiliate; provided that this Section 9.13 shall not apply to:

(a) transactions between or among Parent, the Borrower and any of the other Restricted Subsidiaries not involving any other Person;

(b) transactions described on Schedule 9.13;

(c) any Investments in any Unrestricted Subsidiaries to the extent permitted under Section 9.03.

(d) transactions pursuant to the Separation Documents; and

(e) with respect to any Person serving as an officer, director, employee or consultant of any Group Member, (i) the payment of reasonable compensation, benefits or indemnification liabilities in connection with his or her services in such capacity, (ii) the making of advances for travel or other business expenses in the ordinary course of business or (iii) such Person's participation in any benefit or compensation plan.

Section 9.14 Subsidiaries; Unrestricted Subsidiaries.

(a) Each of Parent and the Borrower will not, and will not permit any Restricted Subsidiary to, create or acquire any additional Restricted Subsidiary or redesignate an Unrestricted Subsidiary as a Restricted Subsidiary unless Parent, the Borrower or such Restricted Subsidiary complies with Section 8.06, and in the case of a redesignation, Section 9.14(c).

(b) Parent shall not designate any Subsidiary as an Unrestricted Subsidiary unless:

(i) neither such Subsidiary nor any of its Subsidiaries has any Indebtedness except Non-Recourse Indebtedness;

(ii) neither such Subsidiary nor any of its Subsidiaries is a party to any agreement, arrangement, understanding or other transaction with Parent or any Restricted Subsidiary, except those agreements and other transactions entered into in writing upon fair and reasonable terms that Parent or such Restricted Subsidiary reasonably believes to be comparable to those available in an arm's length transaction with a Person not an Affiliate;

(iii) neither such Subsidiary nor any of its Subsidiaries is a Guarantor or has any outstanding Letters of Credit issued for its account;

(iv) at the time of such designation and immediately after giving effect thereto, no Default shall have occurred and be continuing;

(v) Parent would have been in compliance with the financial covenants described in Section 9.10 that are applicable at such time as of the last day of the most recently ended Testing Period for which financial statements are available had such Subsidiary been an Unrestricted Subsidiary on such day;

(vi) neither such Subsidiary nor any of its Subsidiaries owns any Indebtedness (excluding any accounts payable in the ordinary course of business) or Equity Interest of, or is the beneficiary of any Lien on any property of, Parent or any Restricted Subsidiary;

(vii) such designation is deemed to be an Investment in an Unrestricted Subsidiary in an amount equal to the fair market value as of the date of such designation of Parent's or any Restricted Subsidiary's direct and indirect Equity Interests in such Subsidiary and such Investment would be permitted to be made at the time of such designation under Section 9.03; and

(viii) at or immediately prior to such designation, Parent delivers a certificate to the Administrative Agent certifying (i) the names of such Subsidiary and all of its Subsidiaries and (ii) that all requirements of this Section 9.14(b) have been met for such designation.

For the avoidance of doubt, the Borrower shall always be a Restricted Subsidiary of Parent and may not be designated as an Unrestricted Subsidiary.

(c) Parent shall not designate any Unrestricted Subsidiary as a Restricted Subsidiary unless:

(i) the representations and warranties of Parent, the Borrower and the other Loan Parties set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation or warranty that is already qualified or modified by materiality in the text thereof) on and as of the date of such designation, except to the extent any such representations and warranties are expressly limited to an earlier date, in which case, on and as of the date of such designation, such representations and warranties shall continue to be true and correct in all material respects as of such specified earlier date;

(ii) at the time of such designation and immediately after giving effect thereto, no Default shall have occurred and be continuing; and

(iii) at or immediately prior to such designation, Parent delivers a certificate to the Administrative Agent certifying (i) the names of such Subsidiary and all of its Subsidiaries and (ii) that all requirements of Section 9.14(a) and (c) have been met for such designation.

(d) Parent and the Borrower will not permit any Guarantor (other than Parent) to cease to remain a Wholly-Owned Domestic Subsidiary.

Section 9.15 Restrictive Agreements. Except as permitted by this Agreement, each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, create, incur, assume or permit to exist any contract or agreement (other than this Agreement and the Security Instruments or, with respect to an ABS Subsidiary and the Properties pledged pursuant to an ABS Facility only, the documents evidencing or governing such ABS Facility) which in any way prohibits or restricts the granting, conveying, creation or imposition of any Lien on any of its property in favor of the Administrative Agent and the Secured Parties as may be required in connection with this Agreement or restricts any of its Restricted Subsidiaries from paying dividends to the Borrower, or which requires the consent of other Persons in connection therewith, except for:

(a) any such contract or agreement existing as of the Effective Date and any extensions, renewals or replacements of any contracts or agreements permitted hereunder; provided that such prohibitive terms of such contract or agreement are no more restrictive than the terms reflected in such contract or agreement existing as of the Effective Date;

(b) restrictions contained in any agreement or instrument relating to property existing at the time of the acquisition thereof in a transaction not prohibited by this Agreement, so long as such restrictions relate only to the property so acquired and were not added in contemplation of such acquisition;

(c) restrictions contained in any agreement to which any Restricted Subsidiary is a party at the time such Restricted Subsidiary is merged or consolidated with or into, or acquired by, Parent or a Restricted Subsidiary or becomes a Restricted Subsidiary, so long as such restrictions relate only to the property of such Restricted Subsidiary and are not created in contemplation thereof;

(d) restrictions contained in any agreement effecting a renewal, extension, refinancing or replacement of Indebtedness incurred or issued under an agreement referred to in clauses (b) and (c) above, so long as the applicable restrictions contained in any such renewal, extension, refinancing or replacement agreement are not more restrictive than those set forth in the agreement being renewed, extended, refinanced or replaced;

(e) customary provisions restricting subletting or assignment of any leases of Parent or any Restricted Subsidiary or provisions in agreements entered into in the ordinary course of business that restrict the assignment of such agreement;

(f) temporary restrictions with respect to any Restricted Subsidiary or any of its property under an agreement that has been entered into for the Disposition of all or substantially all of the outstanding Equity Interests of or assets of such Restricted Subsidiary or for the Disposition of such property, provided that such Disposition is otherwise permitted hereunder;

(g) restrictions contained in any agreement governing Indebtedness of any Foreign Subsidiary, which restrictions are not applicable to any Person, or the properties or assets of any Person other than such Foreign Subsidiary and its Subsidiaries;

(h) encumbrances or restrictions contained in the Organization Documents of Joint Ventures permitted by Section 9.03 restricting the Disposition or distribution of assets or Property of such Joint Venture, if such encumbrances or restrictions are not applicable to the Property or assets of any other Person;

(i) restrictions imposed by any Governmental Authority or under any Governmental Requirement; and

(j) restrictions imposed by any agreement relating to secured Indebtedness permitted by Sections 9.01 and 9.02 if such restrictions apply only to the property or assets securing such Indebtedness.

Section 9.16 Prepayments. Each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, voluntarily prepay, redeem or purchase prior to the stated maturity thereof (a) any Indebtedness incurred pursuant to Section 9.01(f) or any Indebtedness that is subordinated in right of payment to the Secured Obligations (other than in connection with a permitted refinancing of such Indebtedness in accordance with this Agreement or with the proceeds from the issuance of additional common Equity Interests of Parent on a substantially contemporaneous basis with such issuance) unless there is no Default or Event of Default at the time thereof and, after giving pro forma effect to such prepayment, redemption or purchase (as if such prepayment, redemption or purchase occurred on the last day of the applicable Testing Period), the Senior Secured Leverage Ratio is less than 2.50 to 1.00 or (b) any Permitted Term Loan Refinancing Indebtedness (other than with the proceeds of any Qualified Unsecured Indebtedness Offerings or Qualified Equity Issuances); provided, that the Borrower may voluntarily prepay, redeem or purchase Permitted Term Loan Refinancing Indebtedness if after giving effect to such voluntary prepayment, redemption or purchase, (A) the Aggregate Revolving Commitments exceeds the Total Revolving Credit Exposure by not less than $300,000,000 (and the conditions to borrowing set forth in Section 6.03 are satisfied at such time), and (B) the Borrower is in compliance on a pro forma basis with the financial covenants contained in Section 9.10 that are applicable at such time as of the last day of the most recently ended Testing Period for which financial statements are available after giving pro forma effect to any such voluntary prepayment, redemption or purchase.

Section 9.17 Amendments to Permitted Term Loan Refinancing Indebtedness Documents. To the extent any Permitted Term Loan Refinancing Indebtedness is outstanding, each of Parent and the Borrower will not, and will not permit any of its Restricted Subsidiaries to, amend, modify, waive or otherwise change, consent or agree to any amendment, modification, waiver or other change to any of the terms of the Permitted Term Loan Refinancing Indebtedness Documents other than amendments or other modifications that are permitted under the Term Loan Refinancing Intercreditor Agreement.

ARTICLE X
Events of Default; Remedies

Section 10.01 Events of Default. The occurrence of any one or more of the following events which continue beyond any applicable cure period shall constitute an "Event of Default":

(a) the Borrower shall default in the payment or prepayment when due of any principal of or interest on any Loan, or any reimbursement obligation for a disbursement made under any Letter of Credit, or any fees or other amount payable by it hereunder or under any other Loan Document and such default, other than a default of a payment or prepayment of principal (which shall have no cure period), shall continue unremedied for a period of five (5) Business Days;

(b) Parent or any Restricted Subsidiary shall default in the payment when due of any principal of or interest on any of its other Indebtedness aggregating $50,000,000 or more and such default extends beyond any applicable grace period with respect thereto, or any event or condition occurs that results in such Indebtedness becoming due prior to its scheduled maturity or that requires such Indebtedness to be prepaid, repurchased or redeemed prior to its scheduled maturity, or that enables or permits the holder or holders of such Indebtedness or any trustee or agent on its or their behalf to cause such Indebtedness to become due prior to its scheduled maturity;

(c) any representation, warranty or certification made or deemed made herein or in any Security Instrument by Parent or any Subsidiary, or any certificate furnished by or on behalf of Parent or any Subsidiary to any Lender or the Administrative Agent pursuant to the provisions hereof or any Security Instrument, shall prove to have been false or misleading in any material respect as of the time made or furnished, and such false or misleading representation, warranty or certification shall continue unremedied for a period of thirty (30) days after a Responsible Officer of the Borrower has actual knowledge that such representation, warranty or certification was false or misleading when made;

(d) (i) any Loan Party shall default in the performance of any of its obligations contained in Section 8.01(e) or ARTICLE IX (other than Section 9.14); (ii) any Loan Party shall default in the performance of any of its obligations contained in Section 8.06(b) or Section 9.14 and such default shall continue unremedied for a period of five (5) Business Days after the earlier to occur of (A) notice thereof to the Borrower by the Administrative Agent or any Lender (through the Administrative Agent), and (B) a Responsible Officer of the Borrower otherwise becoming aware of such default; or (iii) any Loan Party shall default in the performance of any of its obligations under this Agreement (other than those specified in clauses (a), (d)(i) and d(ii) of this Section 10.01) or any Security Instrument and such default shall continue unremedied for a period of thirty (30) days after the earlier to occur of (A) notice thereof to the Borrower by the Administrative Agent or any Lender (through the Administrative Agent), and (B) a Responsible Officer of the Borrower otherwise becoming aware of such default;

(e) Parent, the Borrower, any Significant Domestic Subsidiary or any Significant Foreign Subsidiary shall admit in writing its inability to, or be generally unable to, pay its debts as such debts become due;

(f) Parent, the Borrower, any Significant Domestic Subsidiary or any Significant Foreign Subsidiary shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its Property, (ii) make a general

assignment for the benefit of its creditors, (iii) commence a voluntary case under the Bankruptcy Code, (iv) file a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding-up, liquidation or composition or readjustment of debts, (v) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Bankruptcy Code or (vi) take any corporate action for the purpose of effecting any of the foregoing;

(g) a proceeding or case shall be commenced, without the application or consent of Parent, the Borrower, any Significant Domestic Subsidiary or any Significant Foreign Subsidiary, in any court of competent jurisdiction, seeking (i) its liquidation, reorganization, dissolution or winding-up, or the composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of Parent, the Borrower, any Significant Domestic Subsidiary or any Significant Foreign Subsidiary or all or any substantial part of its assets, or (iii) similar relief in respect of Parent, the Borrower, any Significant Domestic Subsidiary or any Significant Foreign Subsidiary under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case shall continue undismissed, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and continue unstayed and in effect, for a period of 60 days; or (iv) an order for relief against Parent, the Borrower, any Significant Domestic Subsidiary or any Significant Foreign Subsidiary shall be entered in an involuntary case under the Bankruptcy Code;

(h) a judgment or judgments for the payment of money (net of insurance coverage) aggregating $50,000,000 or more at any one time outstanding shall be rendered by a court of competent jurisdiction against Parent or any Restricted Subsidiary and the same shall not be discharged (or provision shall not be made for such discharge), or a stay of execution thereof shall not be procured, within sixty (60) days from the date of entry thereof and Parent or such Restricted Subsidiary shall not, within said period of 60 days, or such longer period during which execution of the same shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal;

(i) the Loan Documents after delivery thereof shall for any reason, except to the extent permitted by the terms hereof or thereof, cease to be in full force and effect and valid, binding and enforceable in accordance with their terms, or Parent or any Restricted Subsidiary shall so state in writing or, with respect to the Term Loan Refinancing Intercreditor Agreement, any Person (other than the Administrative Agent) that is a party thereto shall so state in writing;

(j) any of the Security Instruments shall cease to create a valid and perfected Lien of the priority required thereby on any of the Collateral purported to be covered thereby, except to the extent permitted by the terms hereof or thereof, or Parent or any Restricted Subsidiary shall so state in writing;

(k) a Change in Control shall occur; or

(l) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in liability of any Loan Party in an aggregate amount exceeding $50,000,000 for all periods.

Section 10.02 Remedies.

(a) In the case of an Event of Default other than one referred to in clause (f) or (g) of Section 10.01, the Administrative Agent, at the request of the Majority Lenders, shall, by notice to the Borrower, cancel the Commitments and/or declare the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Borrower hereunder and under the Notes (including without limitation the payment of cash collateral to secure the LC Exposure as provided in Section 2.07(e)) to be forthwith due and payable, whereupon such amounts shall be immediately due and payable without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other formalities of any kind, all of which are hereby expressly waived by the Borrower.

(b) In the case of the occurrence of an Event of Default referred to in clause (f) or (g) of Section 10.01, the Commitments shall be automatically canceled and the principal amount then outstanding of, and the accrued interest on, the Loans and all other amounts payable by the Borrower hereunder and under the Notes (including without limitation, the payment of cash collateral to secure the LC Exposure as provided in Section 2.07(e)) shall become automatically immediately due and payable without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other formalities of any kind, all of which are hereby expressly waived by the Borrower.

(c) All proceeds realized from the liquidation or other Disposition of Collateral or otherwise received after maturity of the Loans, whether by acceleration or otherwise, shall be applied:

(i) first, pro rata to payment or reimbursement of that portion of the Secured Obligations constituting fees, expenses and indemnities and other amounts payable to the Administrative Agent in its capacity as such and each Issuing Bank it its capacity as such;

(ii) second, pro rata to payment or reimbursement of that portion of the Secured Obligations constituting fees, expenses and indemnities and other amounts (other than principal, interest and fees) payable to the Lenders provided for in this Agreement and the other Loan Documents;

(iii) third, pro rata to payment of accrued interest on the Loans;

(iv) fourth, pro rata to payment of that portion of the Secured Obligations constituting (A) principal outstanding on the Loans, (B) unreimbursed LC Disbursements, (C) unpaid obligations owing to each Secured Hedging Provider under any Hedging Agreement, (D) unpaid obligations owing to a Secured Treasury Management Counterparty under any Treasury Management Agreement and (E) unpaid obligations owing to a Secured LC Provider under any letter of credit facility permitted under Section 9.01(t);

(v) fifth, to serve as cash collateral to be held by the Administrative Agent to secure the LC Exposure;

(vi) sixth, pro rata to any other Secured Obligations; and

(vii) seventh, any excess shall be paid to the Borrower or as otherwise required by any Governmental Requirement. Notwithstanding the foregoing, amounts received from any Loan Party that is not an “eligible contract participant” at the relevant time under the Commodity Exchange Act or any regulations promulgated thereunder (and any proceeds received in respect of such Loan Party’s Collateral) shall not be applied to Excluded Hedging Obligations with respect to any Loan Party, provided, however that the Administrative Agent shall make such adjustments as it determines are appropriate with respect to payments received from the other Loan Parties (or proceeds received in respect of such other Loan Parties’ Collateral) to preserve, as nearly as possible, the allocation to Indebtedness otherwise set forth above in this Section 10.02.

(d) Acceleration and termination of all Hedging Agreements and Treasury Management Agreements involving the Administrative Agent or Lenders or the Lender Affiliates shall be governed by the terms of such Hedging Agreements and Treasury Management Agreements.

ARTICLE XI
The Agents

Section 11.01 Appointment; Powers. Each of the Lenders and the Issuing Banks hereby irrevocably appoints the Administrative Agent as its agent 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 and the other Loan Documents, together with such actions and powers as are reasonably incidental thereto.

Section 11.02 Duties and Obligations of Administrative Agent. 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, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing (the use of the term "agent" herein and in the other Loan Documents 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; rather, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties), (b) the Administrative Agent shall have no duty to take any discretionary action or exercise any discretionary powers, except as provided in Section 11.03, and (c) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Parent or any of its Subsidiaries 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 be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and 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 under any other Loan Document 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 in any other Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in ARTICLE VI or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or as to those conditions precedent expressly required to be to the Administrative Agent's satisfaction, (vi) the existence, value, perfection or priority of any collateral security or the financial or other condition of Parent and its Subsidiaries or any other obligor or guarantor, or (vii) any failure by Parent, the Borrower or any other Person (other than itself) to perform any of its obligations hereunder or under any other Loan Document or the performance or observance of any covenants, agreements or other terms or conditions set forth herein or therein. For purposes of determining compliance with the conditions specified in ARTICLE VI, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received written notice from such Lender prior to the proposed closing date specifying its objection thereto. The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or participant or prospective Lender or participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

Section 11.03 Action by Administrative Agent. The Administrative Agent shall have no 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 Administrative Agent is required to exercise in writing as directed by the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) and in all cases the Administrative Agent shall be fully justified in failing or refusing to act hereunder or under any other Loan Documents unless it shall (a) receive written instructions from the Majority Lenders or the Lenders, as applicable, (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02) specifying the action to be taken and (b) be indemnified to its satisfaction by the Lenders against any and all liability and expenses which may be incurred by it by reason of taking or continuing to take any such action. The instructions as aforesaid and any action taken or failure to act pursuant thereto by the Administrative Agent shall be binding on all of the Lenders. If a Default has occurred and is continuing, then the Administrative Agent shall take such action with respect to such Default as shall be directed by the requisite Lenders in the written instructions (with indemnities) described in this Section 11.03, provided that, unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default as it shall deem advisable in the best interests of the Lenders. In no event, however, shall the Administrative Agent be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to this Agreement, the Loan Documents or applicable law. If a Default has occurred and is continuing, the Co-Syndication Agents shall have any obligation to perform any act in respect thereof. 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 Majority Lenders or the Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.02), and otherwise the Administrative Agent shall not be liable for any action taken or not taken by it hereunder or under any other Loan Document or under any other document or instrument referred to or provided for herein or therein or in connection herewith or therewith INCLUDING ITS OWN ORDINARY NEGLIGENCE, except for its own gross negligence or willful misconduct.

Section 11.04 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 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 and each of Parent, the Borrower, the Lenders and the Issuing Banks hereby waives the right to dispute the Administrative Agent's record of such statement, except in the case of gross negligence or willful misconduct by the Administrative Agent. The Administrative Agent may consult with legal counsel (who may be counsel for Parent or 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. The Administrative Agent may deem and treat the payee of any Note as the holder thereof for all purposes hereof unless and until a written notice of the assignment or transfer thereof permitted hereunder shall have been filed with the Administrative Agent.

Section 11.05 Subagents. The Administrative Agent may perform any and all 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 its duties and exercise its rights and powers through their respective Related Parties.

The exculpatory provisions of the preceding Sections of this ARTICLE XI 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 Administrative Agent.

Section 11.06 Resignation or Removal of Administrative Agent.

(a) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this Section 11.06, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrower. Upon any such resignation, the Majority Lenders shall have the right (with, so long as no Event of Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned)) to appoint a successor. If no successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 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.

(b) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this Section 11.06, if the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, (i) the Borrower may, by notice in writing to such Person and the Lenders and (ii) the Majority 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. In connection with any such removal, the Majority Lenders shall have the right (with, so long as no Event of Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld, delayed or conditioned)) to appoint a successor.

(c) Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent, and the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by Parent and the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between Parent or the Borrower and such successor. After the Administrative Agent's resignation or removal hereunder, the provisions of this ARTICLE XI and Section 12.03 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 it was acting as Administrative Agent.

Section 11.07 Agents as Lenders. Each bank serving as an 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 an Agent, and such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with Parent or any Subsidiary or other Affiliate thereof as if it were not an Agent hereunder.

Section 11.08 No Reliance. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any other Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and each other Loan Document to which it is a party. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other Agent or any other Lender 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, any related agreement or any document furnished hereunder or thereunder.

The Agents shall not be required to keep themselves informed as to the performance or observance by Parent or any of its Subsidiaries of this Agreement, the Loan Documents or any other document referred to or provided for herein or to inspect the Properties or books of Parent or its Subsidiaries. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, neither any Agent nor the Joint Lead Arrangers shall have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of Parent or the Borrower (or any of their Affiliates) which may come into the possession of such Agent or any of its Affiliates. In this regard, each Lender acknowledges that Vinson & Elkins L.L.P. is acting in this transaction as special counsel to the Administrative Agent only, except to the extent otherwise expressly stated in any legal opinion or any Loan Document. Each other party hereto will consult with its own legal counsel to the extent that it deems necessary in connection with the Loan Documents and the matters contemplated therein.

Section 11.09 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to Parent or any of its Subsidiaries, the Administrative Agent (irrespective of whether the principal of any 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 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 Section 12.03) 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, in the event that 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 Section 12.03.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 11.10 Authority of Administrative Agent to Release Collateral and Liens. Each Lender and each Issuing Bank hereby authorizes the Administrative Agent to release any collateral that is permitted to be sold or otherwise Disposed of or released pursuant to the terms of the Loan Documents. Each Lender and each Issuing Bank hereby authorizes the Administrative Agent to execute and deliver to the Borrower, at the Borrower's sole cost and expense, any and all releases of Liens, termination statements, assignments or other documents reasonably requested by the Borrower in connection with (a) any sale or other

Disposition of Property to the extent such sale or other Disposition is permitted by the terms of Section 9.11 or is otherwise not prohibited by the terms of the Loan Documents and (b) the release of the Lien granted under the Guaranty and Collateral Agreement on Equity Interests owned by any Loan Party or a Restricted Subsidiary in a Joint Venture if and to the extent such Equity Interests are otherwise pledged to another Person as permitted by Section 9.02(g).

Each Lender and each Issuing Bank hereby further authorizes the Administrative Agent to execute and deliver to the Borrower, at the Borrower's sole cost and expense, any and all releases of Liens, termination statements, assignments or other documents reasonably requested by the Borrower upon the expiration or termination of the Commitments and the payment in full of all Loans hereunder, all interest thereon and all other amounts payable by the Borrower hereunder (other than indemnities and other contingent obligations not then due and payable and as to which no claim has been made at the time of determination) and the expiration or termination of all Letters of Credit (unless cash collateralized in accordance with Section 2.07(a)).

Section 11.11 The Joint Lead Arrangers, the Joint Bookrunners, the Syndication Agent and the Co-Documentation Agents. The Joint Lead Arrangers, the Joint Bookrunners, the Syndication Agent and the Co-Documentation Agents shall have no duties, responsibilities or liabilities under this Agreement and the other Loan Documents other than their duties, responsibilities and liabilities in their capacity as Lenders hereunder.

Section 11.12 Authorization to Enter into Intercreditor Agreement. The Administrative Agent is hereby authorized on behalf of the Lenders (for the Lenders and any of their Affiliates that are Secured Hedging Providers or holding other Secured Obligations) to enter into and perform the Term Loan Refinancing Intercreditor Agreement. Each Lender acknowledges and agrees to the terms of the Term Loan Refinancing Intercreditor Agreement and agrees that the terms thereof shall be binding on such Lender, together with its successors and assigns, as if it were a party thereto.

ARTICLE XII
Miscellaneous

Section 12.01 Notices.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone or by electronic communication (and subject to paragraph (b) below), all notices and other communications provided for herein and in the other Loan Documents shall be in writing and shall be delivered by fax, courier, U.S. Mail or hand delivery to the intended recipient at (i) with respect to Parent, the Borrower and the Administrative Agent, the "Address for Notices" specified below its name on the signature pages hereof or in the other Loan Documents, except that for notices and other communications to the Administrative Agent other than payment of money, the Borrower need only send such notices and communications to the Administrative Agent care of the Houston address of the Administrative Agent and (ii) with respect to any other Lender, to it at its address (or facsimile number) set forth in its Administrative Questionnaire (or, in the case of notices to any such Lender by a Loan Party, to any address (or facsimile number) that such Lender has provided to Parent or the Borrower); or, as to any party, at such other address as shall be designated by such party in a notice to each other party. Except as otherwise provided in this Agreement or in the other Loan Documents, all such communications shall be deemed to have been duly given when transmitted, if transmitted before 1:00 p.m. local time on a Business Day (otherwise on the next succeeding Business Day) by overnight courier, telex or facsimile and evidence or confirmation of receipt is obtained, or personally delivered or, in the case of a mailed notice, three (3) Business Days after the date deposited in the mails, postage prepaid, in each case given or addressed as aforesaid.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent. The Administrative Agent or any Loan Party 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.

Section 12.02 Waivers; Amendments.

(a) No failure on the part of the Administrative Agent, any other Agent, any Issuing Bank or any Lender to exercise and no delay in exercising, and no course of dealing with respect to, any right, power or privilege, or any abandonment or discontinuance of steps to enforce such right, power or privilege, under any of the Loan Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under any of the Loan Documents preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of the Administrative Agent, any other Agent, any Issuing Bank and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by Parent or the Borrower therefrom shall in any event be effective unless the same shall be permitted by Section 12.02(b), 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 other Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Neither this Agreement nor any provision hereof nor any provision of any Security Instrument may be amended, modified or waived except pursuant to an agreement or agreements in writing entered into by Parent, the Borrower and the Majority Lenders or by Parent, the Borrower and the Administrative Agent with the consent of the Majority Lenders; provided that (i) no amendment, modification or waiver that (A) forgives or reduces the principal amount of any Obligations or Letter of Credit reimbursement obligation outstanding under this Agreement shall be effective without the consent of each Lender adversely affected thereby, (B) releases all or substantially all of the Collateral (excluding Dispositions of Properties permitted hereunder) or the Guarantors shall be effective without the consent of each Lender (other than any Defaulting Lender) or (C) except as provided in Section 2.09, changes Section 4.01(b) or (c) or Section 10.02(c) in a manner that would alter the manner in which payments are shared or any other provision in this Agreement in a manner that would alter the pro rata sharing of payments among Lenders, changes Section 12.02, permits an Interest Period with a duration in excess of six (6) months or modifies the definitions of "Majority Lenders", "Majority Revolving Lenders", "Applicable Percentage", "Applicable Revolving Percentage", "Applicable Term Loan Percentage" or any other definition or provision hereof specifying the number or percentage of Lenders required to waive, amend, or modify any rights hereunder or under or under any other Loan Document shall be effective without consent of all Lenders; (ii) no amendment, modification or waiver which extends any scheduled payment date, the Term Loan Maturity Date or the Revolving Maturity Date, reduces the interest rate applicable to the Loans or the fees payable to the Lenders or extends the time for payment of such interest or fees shall be effective without the consent of each Lender adversely affected thereby (in lieu of the consent of the Majority Lenders); (iii) no amendment, modification or waiver which increases or extends the Commitment of any Lender shall be effective without the consent of such Lender; (iv) no amendment, modification or waiver which changes the terms of clause (b) of the definition of "Secured Obligations", the definition of "Secured Hedging Provider", the definition of "Secured Parties", or any of the provisions of this Section 12.02(b) without the consent of each Lender

that is, or is an Affiliate of, any such adversely affected Secured Hedging Provider and (v) no amendment, modification or waiver which modifies the rights, duties or obligations of the Administrative Agent, any Issuing Bank or the Swingline Lender hereunder or under any other Loan Document shall be effective without the consent of the Administrative Agent, such Issuing Bank or the Swingline Lender, as the case may be.

Notwithstanding the foregoing, Schedule 1.02(b) may be amended to add an Issuing Bank, remove an Issuing Bank or modify the LC Issuance Limit of any Issuing Bank with the consent solely of Parent, the Borrower, the Administrative Agent and such Issuing Bank (and the consent of the Majority Lenders shall not be required).

Section 12.03 Expenses, Indemnity; Damage Waiver.

(a) The Borrower agrees:

(i) whether or not the Transactions hereby contemplated are consummated, to pay all reasonable and documented expenses of the Administrative Agent in the administration (both before and after the execution hereof and including advice of counsel as to the rights and duties of the Administrative Agent and the Lenders with respect thereto) of, and in connection with the negotiation, syndication, investigation, preparation, execution and delivery of, recording or filing of, preservation of rights under, enforcement of, and refinancing, renegotiation or restructuring of, the Loan Documents and any amendment, waiver or consent, whether or not effective, relating thereto (including, without limitation, travel, photocopy, mailing, courier, telephone and other similar expenses of the Administrative Agent, ongoing Collateral monitoring and protection, Collateral releases and workout matters, the cost of environmental audits, surveys and appraisals, the reasonable and documented fees and disbursements of counsel and other outside consultants for the Administrative Agent and, in the case of enforcement, the reasonable fees and disbursements of counsel for the Administrative Agent and any of the Lenders (including the Swingline Lender)); and to promptly reimburse the Administrative Agent for all amounts expended, advanced or incurred by the Administrative Agent to satisfy any obligation of the Borrower under this Agreement or any Security Instrument, including without limitation, all costs and expenses of foreclosure;

(ii) **TO INDEMNIFY THE ADMINISTRATIVE AGENT, EACH ISSUING BANK AND EACH LENDER AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (COLLECTIVELY, THE "INDEMNIFIED PARTIES") AGAINST AND HOLD EACH OF THEM HARMLESS FROM ANY AND ALL LOSSES, CLAIMS, LIABILITIES, DAMAGES AND REASONABLE COSTS AND EXPENSES WHICH MAY BE INCURRED BY OR ASSERTED AGAINST ANY INDEMNIFIED PARTY (WHETHER OR NOT SUCH INDEMNIFIED PARTY IS DESIGNATED A PARTY THERETO AND WHETHER BROUGHT BY A THIRD PARTY OR A LOAN PARTY OR A RELATED PARTY THEREOF) AS A RESULT OF, ARISING OUT OF OR IN ANY WAY RELATED TO (A) ANY ACTUAL OR PROPOSED USE BY PARENT, THE BORROWER OF THE PROCEEDS OF ANY OF THE LOANS OR LETTERS OF CREDIT, (B) THE EXECUTION, DELIVERY AND PERFORMANCE OF THE LOAN DOCUMENTS, (C) THE OPERATIONS OF THE BUSINESS OF PARENT, THE BORROWER AND ITS SUBSIDIARIES, (D) THE FAILURE OF PARENT, THE BORROWER OR ANY SUBSIDIARY TO COMPLY WITH THE TERMS OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR WITH ANY GOVERNMENTAL REQUIREMENT, (E) ANY INACCURACY OF ANY REPRESENTATION OR ANY BREACH OF ANY WARRANTY OF PARENT, THE BORROWER OR ANY OTHER LOAN PARTY SET FORTH IN ANY OF THE LOAN DOCUMENTS, (F) THE ISSUANCE, EXECUTION AND DELIVERY OR TRANSFER OF ANY LETTER OF CREDIT, (G) ANY REFUSAL BY ANY 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, (H) THE PAYMENT OF A DRAWING UNDER ANY LETTER OF CREDIT NOTWITHSTANDING THE NON-COMPLIANCE, NON-DELIVERY OR OTHER IMPROPER PRESENTATION OF THE MANUALLY EXECUTED DRAFT(S) AND CERTIFICATION(S), (I) ANY ASSERTION THAT THE LENDERS WERE NOT ENTITLED TO RECEIVE THE PROCEEDS OF COLLATERAL RECEIVED PURSUANT TO THE SECURITY INSTRUMENTS AND OTHER LOAN DOCUMENTS OR (J) ANY OTHER ASPECT OF THE LOAN DOCUMENTS, INCLUDING, WITHOUT LIMITATION, THE REASONABLE FEES AND DISBURSEMENTS OF COUNSEL AND ALL OTHER EXPENSES INCURRED IN CONNECTION WITH INVESTIGATING, DEFENDING OR PREPARING TO DEFEND ANY ACTION, SUIT, PROCEEDING (INCLUDING ANY INVESTIGATIONS, LITIGATION OR INQUIRIES) OR CLAIM RELATING TO ANY OF THE FOREGOING, AND INCLUDING ANY SUCH LOSSES, CLAIMS, LIABILITIES, DAMAGES AND REASONABLE COSTS AND EXPENSES ARISING BY REASON OF THE ORDINARY NEGLIGENCE OF ANY INDEMNIFIED PARTY; PROVIDED THAT THE FOREGOING INDEMNITY SHALL NOT, AS TO ANY INDEMNIFIED PARTY, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, LIABILITIES, DAMAGES AND REASONABLE COSTS AND EXPENSES (X) ARISE SOLELY BY REASON OF CLAIMS BETWEEN THE LENDERS NOT INVOLVING (1) A NEGLIGENT OR WRONGFUL ACT OR OMISSION OR A BREACH OF THE LOAN DOCUMENTS BY PARENT, THE BORROWER OR ANY OF THEIR RELATED PARTIES OR (2) A CLAIM AGAINST THE ADMINISTRATIVE AGENT, SWINGLINE LENDER OR ANY ISSUING BANK IN SUCH CAPACITY OR (Y) BY REASON OF THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BAD FAITH ON THE PART OF SUCH INDEMNIFIED PARTY OR THE MATERIAL BREACH OF SUCH INDEMNIFIED PARTY'S OBLIGATIONS UNDER THE LOAN DOCUMENTS, IN EACH CASE, AS DETERMINED IN A FINAL NONAPPEALABLE DECISION OF A COURT OF COMPETENT JURISDICTION; AND**

(iii) **TO INDEMNIFY AND HOLD HARMLESS FROM TIME TO TIME THE INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL LOSSES, CLAIMS, LIABILITIES, DAMAGES AND REASONABLE COSTS AND EXPENSES TO WHICH ANY SUCH PERSON MAY BECOME SUBJECT (A) UNDER ANY ENVIRONMENTAL LAW APPLICABLE TO PARENT, THE BORROWER OR ANY SUBSIDIARY OR ANY OF THEIR PROPERTIES, INCLUDING WITHOUT LIMITATION, THE TREATMENT OR DISPOSAL OF HAZARDOUS MATERIALS ON ANY OF THEIR PROPERTIES, (B) AS A RESULT OF THE BREACH OR NON-COMPLIANCE BY PARENT, THE BORROWER OR ANY SUBSIDIARY WITH ANY ENVIRONMENTAL LAW APPLICABLE TO PARENT, THE BORROWER OR ANY SUBSIDIARY, (C) DUE TO PAST OWNERSHIP BY PARENT, THE BORROWER OR ANY SUBSIDIARY OF ANY OF THEIR PROPERTIES OR PAST ACTIVITY ON ANY OF THEIR PROPERTIES WHICH, THOUGH LAWFUL AND FULLY PERMISSIBLE AT THE TIME, COULD RESULT IN PRESENT LIABILITY, (D) THE PRESENCE, USE, RELEASE, STORAGE, TREATMENT OR DISPOSAL OF HAZARDOUS MATERIALS ON OR AT ANY OF THE PROPERTIES OWNED OR OPERATED BY PARENT, THE BORROWER OR ANY SUBSIDIARY, OR (E) ANY OTHER ENVIRONMENTAL, HEALTH OR SAFETY CONDITION IN CONNECTION WITH THE LOAN DOCUMENTS; PROVIDED, HOWEVER, NO INDEMNITY SHALL BE AFFORDED UNDER THIS SECTION 12.03(A)(III) IN RESPECT OF ANY PROPERTY FOR ANY OCCURRENCE ARISING FROM THE ACTS OR OMISSIONS OF ANY INDEMNIFIED PARTY AFTER THE DATE ON WHICH PARENT, THE BORROWER OR ANY SUBSIDIARY IS DIVESTED OF OWNERSHIP OF SUCH PROPERTY (WHETHER BY FORECLOSURE OR DEED IN LIEU OF FORECLOSURE, AS MORTGAGEE-IN-POSSESSION OR OTHERWISE) OR, TO THE EXTENT SUCH LOSSES, CLAIMS, LIABILITIES, DAMAGES AND REASONABLE COSTS AND EXPENSES ARISE BY REASON OF THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR**

BAD FAITH ON THE PART OF SUCH INDEMNIFIED PARTY OR THE MATERIAL BREACH OF SUCH INDEMNIFIED PARTY'S OBLIGATIONS UNDER THE LOAN DOCUMENTS, IN EACH CASE, AS DETERMINED IN A FINAL NONAPPEALABLE DECISION OF A COURT OF COMPETENT JURISDICTION.

(b) To the extent that the Borrower fails to pay any amount required to be paid by it to any Agent, the Joint Lead Arrangers, any Issuing Bank or the Swingline Lender under Section 12.03(a), but without affecting such payment obligations of the Borrower, each Lender severally agrees to pay to such Agent or the Joint Lead Arrangers and each Lender severally agrees to pay such Issuing Bank or the Swingline Lender, as the case may be, such Lender's pro rata portion or such Lender's Applicable Percentage, as the case may be, (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 such Agent, the Joint Lead Arrangers, such Issuing Bank or the Swingline Lender in its capacity as such.

(c) No Indemnified Party may settle any claim to be indemnified without the consent of the indemnitor, such consent not to be unreasonably withheld; provided, that the indemnitor may not reasonably withhold consent to any settlement that an Indemnified Party proposes, if the indemnitor does not have the financial ability to pay all its obligations outstanding and asserted against the indemnitor at that time, including the maximum potential claims against the Indemnified Party to be indemnified pursuant to this Section 12.03.

(d) In the case of any indemnification hereunder, the Administrative Agent or Lender, as appropriate shall give notice to the Borrower of any such claim or demand being made against the Indemnified Party and the Borrower shall have the non-exclusive right to join in the defense against any such claim or demand provided that if the Borrower provides a defense, the Indemnified Party shall bear its own cost of defense unless there is a conflict between the Borrower and such Indemnified Party.

(e) **SUBJECT TO THE LIMITATIONS DESCRIBED HEREIN, THE FOREGOING INDEMNITIES SHALL EXTEND TO THE INDEMNIFIED PARTIES NOTWITHSTANDING THE SOLE OR CONCURRENT NEGLIGENCE OF EVERY KIND OR CHARACTER WHATSOEVER, WHETHER ACTIVE OR PASSIVE, WHETHER AN AFFIRMATIVE ACT OR AN OMISSION, INCLUDING WITHOUT LIMITATION, ALL TYPES OF NEGLIGENT CONDUCT IDENTIFIED IN THE RESTATEMENT (SECOND) OF TORTS OF ONE OR MORE OF THE INDEMNIFIED PARTIES OR BY REASON OF STRICT LIABILITY IMPOSED WITHOUT FAULT ON ANY ONE OR MORE OF THE INDEMNIFIED PARTIES. To the extent that an Indemnified Party is found by a final nonappealable judgment of a court of competent jurisdiction to have committed an act of gross negligence, willful misconduct or bad faith or to have materially breached such Indemnified Party's obligations under the Loan Documents, the contractual obligation of indemnification set forth in this Section 12.03 shall continue but shall only extend to the portion of the claim that is deemed to have occurred by reason of events other than the gross negligence, willful misconduct or bad faith of the Indemnified Party or the material breach of such Indemnified Party's obligations under the Loan Documents. This Section 12.03 shall not apply to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.**

(f) The Borrower's obligations under this Section 12.03 shall survive any termination of this Agreement and the payment of the Notes and shall continue thereafter in full force and effect.

(g) The Borrower shall pay any amounts due under this Section 12.03 within thirty (30) days of the receipt by the Borrower of notice of the amount due.

Section 12.04 Successors and Assigns.

(a) This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(b) Neither Parent nor the Borrower may assign its rights or obligations hereunder or under the Notes or any Letters of Credit without the prior consent of all of the Lenders and the Administrative Agent (other than an assignment by the Borrower of any of its obligations hereunder in respect of Loans made to it as consideration for Property Disposed of pursuant to Section 9.11(c), so long as such obligations are repaid immediately after giving effect to such assignment).

(c) Any Lender may 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 Commitments or Loans) pursuant to an Assignment and Assumption substantially in the form of Exhibit E upon the written consent (which consent shall not be unreasonably withheld or delayed) of (A) the Administrative Agent and the Issuing Bank, provided that no such consent shall be required for an assignment to an assignee that is an Affiliate of such Lender or a Lender immediately prior to giving effect to such assignment and (B) the Borrower, 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 provided further that no such consent shall be required for an assignment to an assignee that is an Affiliate of such Lender or a Lender immediately prior to giving effect to such assignment, or if an Event of Default has occurred and is continuing, any other assignee; provided, however, that (i) any such assignment shall be in the amount of at least $5,000,000 (or the remaining portion of the assigning Lender's rights and obligations under this Agreement or the remaining portion of such Lender's Revolving Commitment or Term Loans, as applicable) or such lesser amount to which the Borrower and the Administrative Agent has consented; (ii) the assignee or assignor shall pay to the Administrative Agent a processing and recordation fee of $3,500 for each assignment that is not to an Affiliate of such assignor; (iii) any assignee shall not be a Disqualified Institution; (iv) any assignee shall not be a natural Person; and (v) no such assignment shall be to Parent, the Borrower or either of their respective Subsidiaries or Affiliates.

Any such assignment will become effective upon the execution and delivery to the Administrative Agent of the applicable Assignment and Assumption and the consents required above. Promptly after receipt of an executed Assignment and Assumption, the Administrative Agent shall send to the Borrower a copy of such executed Assignment and Assumption. Upon receipt of such executed Assignment and Assumption, if requested by the applicable assignor and/or assignee, the Borrower, will, at its own expense, execute and deliver new Notes to each assignor and/or assignee, as appropriate, in accordance with their respective interests as they appear after giving effect to such Assignment and Assumption. Upon the effectiveness of any assignment pursuant to this Section 12.04(c), the assignee will become a "Lender," if not already a "Lender," for all purposes of this Agreement and the Security Instruments. The assignor shall be relieved of its obligations hereunder to the extent of such assignment (and if the assigning Lender no longer holds any rights or obligations under this Agreement, such assigning Lender shall cease to be a "Lender" hereunder except that its rights under Sections 5.01, 5.02, 5.03 and this Section 12.04 shall not be affected). The Administrative Agent, acting solely for this purpose as an agent of the Borrower, 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 Class and principal amount (and stated interest) of the Loans and LC Exposure owing to each Lender pursuant to the terms hereof from time to time (the "Register"). Upon its receipt of an Assignment and Assumption in compliance with the requirements of this Section together with any other documents or certificates required to be delivered hereunder or reasonably requested by the Administrative Agent, and including any fees payable with respect to such assignment, the Administrative Agent shall accept such Assignment and Assumption and record it in the Register. The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Issuing Bank 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. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register.

(d) Each Lender may transfer, grant or assign participations in all or any part of such Lender's interests hereunder pursuant to this Section 12.04(d) to any Person that satisfies the requirements of Section 12.04(c)(iii), provided that: (A) such Lender shall remain a "Lender" for all purposes of this Agreement and the transferee of such participation shall not constitute a "Lender" hereunder; (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, (D) the Borrower, 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 and (E) no participant under any such participation shall have rights to approve any amendment to or waiver of any of the Loan Documents; provided that such participation agreement may provide that such Lender will not, without the consent of such participant, agree to any amendment, modification or waiver described in clauses (i), (ii) or (iii) of the proviso to Section 12.02(b) that affects such participant, and all amounts payable by the Borrower hereunder shall be determined as if such Lender had not sold such participation.

In addition, each agreement creating any participation must include an agreement by the participant to be bound by the provisions of Section 12.11. Subject to Section 12.04(e), each participant shall be entitled to receive additional amounts under Sections 5.01, 5.02 and 5.03 on the same basis as if it were a Lender that had acquired its interest by assignment pursuant to Section 12.04(c) and be indemnified under Section 12.03 as if 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 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 to any Person except to the extent that such disclosure is necessary to establish that such Loans or other obligations under the Loan Documents are in registered form for United States federal income tax purposes. 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) No participant under any participation agreement shall be entitled to receive any greater payment under Section 5.01 or Section 5.03 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 or such entitlement to receive a greater payment results from a Change in Law that occurs after the participant acquired the applicable participation. A participant shall not be entitled to the benefits of Section 5.03 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 5.03 (it being understood that the documentation required under Section 5.03(g) shall be delivered to a participating Lender) and be subject to Section 5.04 as though it were a Lender.

(f) The Lenders may furnish any information concerning the Borrower in the possession of the Lenders from time to time to assignees and participants (including prospective assignees and participants); provided that, such Persons agree to be bound by the provisions of Section 12.11.

(g) Notwithstanding anything in this Section 12.04 to the contrary, 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; 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.

(h) Notwithstanding any other provisions of this Section 12.04, no transfer or assignment of the interests or obligations of any Lender or any grant of participations therein shall be permitted if such transfer, assignment or grant would require the Borrower to file a registration statement with the SEC or to qualify the Loans under the "Blue Sky" laws of any state.

(i) Disqualified Institutions.

(i) No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the "Trade Date") on which the assigning Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person (unless the Borrower has consented to such assignment in writing in its sole and absolute discretion, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation).

For the avoidance of doubt, with respect to any assignee that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of "Disqualified Institution"), (x) such assignee shall not retroactively be disqualified from becoming a Lender and (y) the execution by the Borrower of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment in violation of this Section 12.04(i)(i) shall not be void, but the other provisions of this Section 12.04(i) shall apply.

(ii) If any assignment or participation is made to any Disqualified Institution without the Borrower's prior written consent in violation of clause (i) above, or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the Administrative Agent, (A) terminate any Commitment of such Disqualified Institution and repay all obligations of the Borrower owing to such Disqualified Institution hereunder, and/or (B) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 12.04), all of its interest, rights and obligations under this Agreement to one or more assignees otherwise meeting the criteria set forth in Section 12.04(c) at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (A) will not (x) have the right to receive information, reports or other materials provided to Lenders by the Borrower, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter.

Section 12.05 Survival; Revival; Reinstatement.

(a) All covenants, agreements, representations and warranties made by the Borrower herein 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 this Agreement 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 other Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding (except to the extent described in Section 2.07(a)) and so long as the Commitments have not expired or terminated. The provisions of Sections 3.02 (including the agreements with respect to the definition of "Applicable Margin"), 5.01, 5.02 and 5.03, ARTICLE XI and Section 12.03 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, any other Loan Document or any provision hereof or thereof.

(b) To the extent that any payments on the Obligations or proceeds of any Collateral are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, debtor in possession, receiver or other Person under any bankruptcy law, common law or equitable cause, then to such extent, the Obligations so satisfied shall be revived and continue as if such payment or proceeds had not been received and the Administrative Agent's and the Lenders' Liens, security interests, rights, powers and remedies under this Agreement and each Loan Document shall continue in full force and effect. In such event, each Loan Document shall be automatically reinstated and Parent and the Borrower shall take such action as may be reasonably requested by the Administrative Agent and the Lenders to effect such reinstatement.

Section 12.06 Counterparts; Integration; Effectiveness.

(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 one and the same instrument.

(b) This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO 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.**

(c) Except as provided in Section 6.01, 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. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 12.07 Severability. Any provision of this Agreement or any other 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 hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 12.08 Right of Setoff. The Borrower agrees that, in addition to (and without limitation of) any right of set-off, bankers' lien or counterclaim a Lender may otherwise have, each Lender shall have the right and be entitled (after consultation with the Administrative Agent), at its option, to offset balances held by it or by any of its Affiliates for account of the Borrower at any of its offices, in US Dollars or in any other currency, against any principal of or interest on any of such Lender's Loans, or any other amount payable to such Lender hereunder, which is not paid when due (including applicable grace periods) (regardless of whether such balances are then due to the Borrower), in which case it shall promptly notify the Borrower and the Administrative Agent thereof, provided that such Lender's failure to give such notice shall not affect the validity thereof.

Notwithstanding anything to the contrary contained in this Agreement, the Lenders hereby agree that they shall not set off any funds in any lock boxes whatsoever in connection with this Agreement, except for such lock boxes which may be established in connection with this Agreement.

Section 12.09 Governing Law; Jurisdiction; Consent to Service of Process.

(A) THIS AGREEMENT AND THE NOTES SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS EXCEPT TO THE EXTENT THAT UNITED STATES FEDERAL LAW PERMITS ANY LENDER TO CHARGE INTEREST AT THE RATE ALLOWED BY THE LAWS OF THE STATE WHERE SUCH LENDER IS LOCATED. CH. 346 OF THE TEXAS FINANCE CODE (WHICH REGULATES CERTAIN REVOLVING CREDIT LOAN ACCOUNTS AND REVOLVING TRI-PARTY ACCOUNTS) SHALL NOT APPLY TO THIS AGREEMENT OR THE NOTES.

(B) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THE LOAN DOCUMENTS SHALL BE BROUGHT IN THE COURTS OF THE STATE OF TEXAS SITTING IN HARRIS COUNTY OR OF THE UNITED STATES OF AMERICA FOR THE SOUTHERN DISTRICT OF TEXAS,

AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HERETO HEREBY ACCEPTS FOR ITSELF AND (TO THE EXTENT PERMITTED BY LAW) IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY SUCH ACTION OR PROCEEDING IN SUCH RESPECTIVE JURISDICTIONS. THIS SUBMISSION TO JURISDICTION IS NON-EXCLUSIVE AND DOES NOT PRECLUDE ANY PARTY HERETO FROM OBTAINING JURISDICTION ANY OTHER PARTY HERETO IN ANY COURT OTHERWISE HAVING JURISDICTION.

(C) EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PARTY AT ITS ADDRESS LOCATED ON THE SIGNATURE PAGE HERETO OR AS UPDATED FROM TIME TO TIME, SUCH SERVICE TO BECOME EFFECTIVE THIRTY (30) DAYS AFTER SUCH MAILING.

(D) NOTHING HEREIN SHALL AFFECT THE RIGHT OF ANY PARTY HERETO OR ANY HOLDER OF A NOTE TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY OTHER PARTY HERETO IN ANY OTHER JURISDICTION.

(E) **EACH PARTY HERETO HEREBY (I) IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN; (II) IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY SUCH LITIGATION ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES, OR DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES; (III) CERTIFIES THAT NO PARTY HERETO NOR ANY REPRESENTATIVE OF THE ADMINISTRATIVE AGENT OR COUNSEL FOR ANY PARTY HERETO HAS REPRESENTED, EXPRESSLY OR OTHERWISE, OR IMPLIED THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS, AND (IV) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS CONTAINED IN THIS SECTION 12.09.**

Section 12.10 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 12.11 Confidentiality. For the purposes of this Section 12.11, "Confidential Information" means information about Parent, the Borrower or any of its Subsidiaries furnished by Parent, the Borrower or its Affiliates (collectively, the "Disclosing Parties") to the Administrative Agent or any of the Lenders, including, but not limited to, any actual or pending agreement, business plans, budgets, projections, ecological data and accounting records, financial statements, or other financial data of any kind, any title documents, reports or other information relating to matters of title, any projects or plans, whether actual or prospective, and any other documents or items embodying any such Confidential Information; provided that such term does not include information that (a) was publicly known or otherwise known prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by the Administrative Agent or the Lenders or any Person acting on behalf thereof, (c) otherwise becomes known to the Administrative Agent or Lenders other than through disclosure by the Disclosing Parties or a party known to be subject to a confidentiality agreement or (d) constitutes financial statements delivered to the Administrative Agent and the Lenders under Section 8.01(a) that are otherwise publicly available. The Administrative Agent and the Lenders will maintain the confidentiality of such Confidential Information delivered to such Person, provided that each such Person (a "Restricted Person") may deliver or disclose Confidential Information to (i) such Restricted Person's directors, officers, employees, accountants, attorneys, other professional advisors, trustees and Affiliates, who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 12.11, (ii) any other party to any Loan Document, (iii) any pledgee referred to in Section 12.04, any potential assignee or any assignee to which such Restricted Person sells or offers to sell its Note or any part thereof or any participation or potential participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by confidentiality provisions at least as restrictive as the provisions of this Section 12.11), (iv) any Governmental Authority having jurisdiction or any self-regulatory body claiming to have authority over such Restricted Person, (v) on a confidential basis to the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to this Agreement and the Loans hereunder, or (vi) any other Person to which such delivery or disclosure may be necessary or appropriate (A) to effect compliance with any Governmental Requirement applicable to such Restricted Person or to the extent required by applicable laws or regulations, (B) in response to any subpoena or other legal process; provided that, with respect to clause (vi) of this Section 12.11, such Restricted Person (I) promptly notifies such Disclosing Party prior to any such disclosure to the extent practicable and permitted by law, (II) reasonably cooperates with such Disclosing Party in any attempts such Disclosing Party makes to obtain a protective order or other appropriate assurance that confidential treatment will be afforded to the Confidential Information, and (III) if no such protective order is obtained and disclosure is required, furnish only that portion of the Confidential Information that, in the opinion of such Restricted Person's counsel, such Restricted Person is legally compelled to disclose, or (C) if an Event of Default has occurred and is continuing, to the extent such Restricted Person may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of its rights and remedies under the Notes and this Agreement.

Section 12.12 Interest Rate Limitation. It is the intention of the parties hereto that each Lender shall conform strictly to usury laws applicable to it. Accordingly, if the Transactions contemplated hereby would be usurious as to any Lender under laws applicable to it (including the laws of the United States of America and the State of Texas or any other jurisdiction whose laws may be mandatorily applicable to such Lender notwithstanding the other provisions of this Agreement), then, in that event, notwithstanding anything to the contrary in any of the Loan Documents or any agreement entered into in connection with or as security for the Loans, it is agreed as follows: (i) the aggregate of all consideration which constitutes interest under law applicable to any Lender that is contracted for, taken, reserved, charged or received by such Lender under any of the Loan Documents or agreements or otherwise in connection with the Loans shall under no circumstances exceed the maximum amount allowed by such applicable law, and any excess shall be canceled automatically and if theretofore paid shall be credited by such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Lender to the Borrower); and (ii) in the event that the maturity of the Loans is accelerated by reason of an election of the holder thereof resulting from any Event of Default under this Agreement or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest under law applicable to any Lender may never include more than the maximum amount allowed by such applicable law, and excess interest, if any, provided for in this Agreement or otherwise shall be canceled automatically by such Lender as of the date of such acceleration or prepayment and, if theretofore paid, shall be credited by such Lender on the principal amount of the Obligations (or, to the extent that the principal amount of the Obligations shall have been or would thereby be paid in full, refunded by such Lender to the Borrower).

All sums paid or agreed to be paid to any Lender for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by law applicable to such Lender, be amortized, prorated, allocated and spread throughout the stated term of the Loans until payment in full so that the rate or amount of interest on account of any Loans hereunder does not exceed the maximum amount allowed by such applicable law. If at any time and from time to time (i) the amount of interest payable to any Lender on any date shall be computed at the Highest Lawful Rate applicable to such Lender pursuant to this Section 12.12 and (ii) in respect of any subsequent interest computation period the amount of interest otherwise payable to such Lender would be less than the amount of interest payable to such Lender computed at the Highest Lawful Rate applicable to such Lender, then the amount of interest payable to such Lender in respect of such subsequent interest computation period shall continue to be computed at the Highest Lawful Rate applicable to such Lender until the total amount of interest payable to such Lender shall equal the total amount of interest which would have been payable to such Lender if the total amount of interest had been computed without giving effect to this Section 12.12. To the extent that Chapter 303 of the Texas Finance Code is relevant for the purpose of determining the Highest Lawful Rate applicable to a Lender, such Lender elects to determine the applicable rate ceiling under such Chapter by the weekly ceiling from time to time in effect. Chapter 346 of the Texas Finance Code does not apply to the Borrower's obligations hereunder. The Loans are not primarily for personal, family or household use.

Section 12.13 Exculpation Provisions. **EACH OF THE PARTIES HERETO SPECIFICALLY AGREES THAT IT HAS A DUTY TO READ THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND AGREES THAT IT IS CHARGED WITH NOTICE AND KNOWLEDGE OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; THAT IT HAS IN FACT READ THIS AGREEMENT AND IS FULLY INFORMED AND HAS FULL NOTICE AND KNOWLEDGE OF THE TERMS, CONDITIONS AND EFFECTS OF THIS AGREEMENT; THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL OF ITS CHOICE THROUGHOUT THE NEGOTIATIONS PRECEDING ITS EXECUTION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND HAS RECEIVED THE ADVICE OF ITS ATTORNEY IN ENTERING INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS; AND THAT IT RECOGNIZES THAT CERTAIN OF THE TERMS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS RESULT IN ONE PARTY ASSUMING THE LIABILITY INHERENT IN SOME ASPECTS OF THE TRANSACTION AND RELIEVING THE OTHER PARTY OF ITS RESPONSIBILITY FOR SUCH LIABILITY. EACH PARTY HERETO AGREES AND COVENANTS THAT IT WILL NOT CONTEST THE VALIDITY OR ENFORCEABILITY OF ANY EXCULPATORY PROVISION OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS ON THE BASIS THAT THE PARTY HAD NO NOTICE OR KNOWLEDGE OF SUCH PROVISION OR THAT THE PROVISION IS NOT "CONSPICUOUS".**

Section 12.14 Collateral Matters; Hedging Agreements; Treasury Management Agreements. Except as provided in Section 12.02(b)(iv), no Lender or any Affiliate of a Lender shall have any voting rights under any Loan Document as a result of the existence of obligations owed to it under any Hedging Agreement or Treasury Management Agreement. The benefit of the Security Instruments and of the provisions of this Agreement relating to any Collateral securing the Secured Obligations shall also extend to and be available to Secured Hedging Providers, the Secured Treasury Management Counterparties and the Secured LC Providers on a pro rata basis (subject to the priorities set out in Section 10.02(c)) in respect of any obligations of Parent or any Restricted Subsidiary which arises under any Hedging Agreement, Treasury Management Agreement or letter of credit facility permitted under Section 9.01(t). Each Lender, on behalf of itself and its Affiliates who are Secured Hedging Providers, and each Secured Hedging Provider, by accepting the benefits of the Collateral, hereby agrees that the Loan Parties may grant security interests, covering all rights of the Loan Parties in Hedging Agreements with any Lender or Secured Hedging Provider, to the Administrative Agent under the Security Instruments to secure the Secured Obligations, notwithstanding any restriction on such security interests under any Hedging Agreement.

Section 12.15 No Third Party Beneficiaries. This Agreement, the other Loan Documents, and the agreement of the Lenders to make Loans and the Issuing Banks to issue, amend, renew or extend Letters of Credit hereunder are solely for the benefit of Parent, the Borrower, and no other Person (including, without limitation, any Subsidiary of the Borrower, any obligor, contractor, subcontractor, supplier or materialman) shall have any rights, claims, remedies or privileges hereunder or under any other Loan Document against the Administrative Agent, any other Agent, any Issuing Bank or any Lender for any reason whatsoever. There are no third party beneficiaries.

Section 12.16 USA PATRIOT Act Notice. Each Lender hereby notifies Parent and the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "USA PATRIOT Act"), it is required to obtain, verify and record information that identifies Parent and its Subsidiaries, which information includes the name and address of Parent and such Subsidiaries and other information that will allow such Lender to identify Parent and such Subsidiaries in accordance with the USA PATRIOT Act. Parent and the Borrower agrees to promptly provide such information upon request.

Section 12.17 No Fiduciary Duty. Each Lender and its respective Affiliates (collectively, solely for purposes of this Section 12.17, the "Lenders") may have economic interests that conflict with those of the Loan Parties. Each Loan Party agrees that nothing in any Loan Document, any Hedging Agreement with any Secured Hedging Provider or any Treasury Management Agreement will be deemed to create an advisory, fiduciary or agency relationship between the Lenders and the Loan Parties, their partners or their Affiliates. Each Loan Party acknowledges and agrees that (a) the transactions with the Lenders contemplated by the Loan Documents, the Hedging Agreements with Secured Hedging Providers and the Treasury Management Agreements are arm's-length commercial transactions between the Lenders, on the one hand, and the applicable Loan Parties, on the other, (b) in connection therewith and with the process leading to such transactions each Lender is acting solely as a principal and not the agent or fiduciary of any Loan Party, or of any Loan Party's management, partners, creditors or other Affiliates, (c) no Lender has assumed a fiduciary responsibility in favor of any Loan Party with respect to the transactions with Lenders contemplated by the Loan Documents, any Hedging Agreement or any Treasury Management Agreements or the process leading thereto (irrespective of whether any Lender or any of its Affiliates has advised or is currently advising any Loan Party on other matters) and (d) such Person has consulted its own legal and financial advisors to the extent it deemed appropriate.

Each Loan Party further acknowledges and agrees that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Loan Party agrees that it will not claim that any Lender owes a fiduciary duty to such Person in connection with the Loan Documents, any Hedging Agreement or any Treasury Management Agreement or the process leading thereto.

Section 12.18 Conversion of Currencies.

(a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum owing hereunder in one currency into another currency, each party hereto agrees, to the fullest extent that it may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking

procedures in the relevant jurisdiction the first currency could be purchased with such other currency on the Business Day immediately preceding the day on which final judgment is given.

(b) The obligations of the Borrower in respect of any sum due to any party hereto or any holder of the obligations owing hereunder (the "Applicable Creditor") shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than the currency in which such sum is stated to be due hereunder (the "Agreement Currency"), be discharged only to the extent that, on the Business Day following receipt by the Applicable Creditor of any sum adjudged to be so due in the Judgment Currency, the Applicable Creditor may in accordance with normal banking procedures in the relevant jurisdiction 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 Applicable Creditor in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Applicable Creditor against such loss.

Section 12.19 Amendment and Restatement. It is the intention of the parties hereto that this Agreement amends, restates, supersedes and replaces the Existing Credit Agreement in its entirety; provided, that, such amendment and restatement shall operate to renew, amend, modify, and extend all of the rights, duties, liabilities and obligations of the Borrower under the Existing Credit Agreement and under the Existing Loan Documents, which rights, duties, liabilities and obligations are hereby renewed, amended, modified and extended, and shall not act as a novation thereof. The parties hereto ratify and confirm each of the Existing Loan Documents entered into prior to the Effective Date (but excluding the Existing Credit Agreement) and agree that such Existing Loan Documents continue to be legal, valid, binding and enforceable in accordance with their terms (except to the extent amended, restated and/or superseded in connection with the transactions contemplated hereby), however, for all matters arising prior to the Effective Date (including the accrual and payment of interest and fees, and matters relating to indemnification and compliance with financial covenants), the terms of the Existing Credit Agreement (as unmodified by this Agreement) shall control and are hereby ratified and confirmed. Parent and the Borrower each represent and warrant that, as of the Effective Date, there are no claims or offsets against, or defenses or counterclaims to, its obligations (or the obligations of any Guarantor) under the Existing Credit Agreement or any of the other Existing Loan Documents.

[Signature Pages Follow]

The parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

BORROWER:

EXTERRAN ENERGY SOLUTIONS, L.P., a Delaware limited partnership

By: /s/ Jon C. Biro
Name: Jon C. Biro
Title: Senior Vice President and Chief Financial Officer

Address for Notices:

4444 Brittmoore Road
Houston, Texas 77041

Facsimile No: (281) 836-7953
Telephone No.: (281) 836-7000
e-mail: kelly.battle@exterran.com
Attention: Deputy General Counsel

Copy to:

Michael Bent
Vice Present, Finance and Treasury
Facsimile No: (281) 836-7953
e-mail: michael.bent@exterran.com

Copy to:

Herschel Hamner
Sidley Austin LLP
1000 Louisiana Street
Suite 6000
Houston, Texas 77002

PARENT:

EXTERRAN CORPORATION, a Delaware corporation

By: /s/ Jon C. Biro
Name: Jon C. Biro
Title: Senior Vice President and
Chief Financial Officer

Address for Notices:

4444 Brittmoore Road
Houston, Texas 77041

Facsimile No: (281) 836-7953
Telephone No.: (281) 836-7000
e-mail: kelly.battle@exterran.com
Attention: Deputy General Counsel

Copy to:

Michael Bent
Vice Present, Finance and Treasury
Facsimile No: (281) 836-7953
e-mail: michael.bent@exterran.com

Copy to:

Herschel Hamner
Sidley Austin LLP
1000 Louisiana Street
Suite 6000
Houston, Texas 77002

ADMINISTRATIVE AGENT, ISSUING BANK, SWINGLINE LENDER AND LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION, Individually and as Administrative Agent

By: /s/ C. David Allman
Name: C. David Allman
Title: Managing Director

Lending Office for ABR Loans and
LIBOR Loans:

WLS Agency Services
1525 W Wt Harris Blvd.
23rd Floor NC 0680
Charlotte, North Carolina 28262
Facsimile No.: (704) 715-0017

Address for Notices:

Wells Fargo Bank, National Association
1000 Louisiana, 9th Floor
Houston, Texas 77002
Attention: C. David Allman
Facsimile No.: (713) 739-1087

Copy to:

Erec R. Winandy
Vinson & Elkins L.L.P.
2001 Ross Avenue
Suite 3700
Dallas, Texas 75201

LENDERS:

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK, as a Lender and Issuing Bank

By: /s/ David Gurghigian
Name: David Gurghigian
Title: Managing Director

By: /s/ Michael D. Willis
Name: Michael D. Willis
Title: Managing Director

BANK OF AMERICA, N.A., as a Lender and Issuing Bank

By: /s/ Julie Castano
Name: Julie Castano
Title: SVP

ROYAL BANK OF CANADA, as a Lender and Issuing Bank

By: /s/ Evans Swann, Jr.
Name: Evans Swann, Jr.
Title: Authorized Signatory

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

By: /s/ Ivan Davey
Name: Ivan Davey
Title: Vice President

THE BANK OF NOVA SCOTIA, as a Lender and Issuing Bank

By: /s/ Mark Sparrow
Name: Mark Sparrow
Title: Director

SUMITOMO MITSUI BANKING CORPORATION, as a Lender

By: /s/ Katsuyuki Kubo
Name: Katsuyuki Kubo
Title: Managing Director

GOLDMAN SACHS BANK USA, as a Lender

By: /s/ Rebecca Kratz
Name: Rebecca Kratz
Title: Authorized Signatory

HSBC BANK USA, NA, as a Lender

By: /s/ Michael Bustios
Name: Michael Bustios
Title: Vice President 20556

SANTANDER BANK, N.A., as a Lender

By: /s/ David O'Driscoll
Name: David O'Driscoll
Title: Senior Vice President

By: /s/ Puiki Lok
Name: Puiki Lok
Title: Vice President

TRUSTMARK NATIONAL BANK, as a Lender

By: /s/ Jeff Deutsch
Name: Jeff Deutsch
Title: Senior Vice President

BRANCH BANKING AND TRUST COMPANY, as a Lender

By: /s/ DeVon J. Lang
Name: DeVon J. Lang
Title: Senior Vice President

CATERPILLAR FINANCIAL SERVICES CORPORATION, as a Lender

By: /s/ Robert Coon
Name: Robert Coon
Title: Managing Director
CAT Power Finance Americas

SIGNATURE PAGE
AMENDED AND RESTATED CREDIT AGREEMENT – EXTERRAN ENERGY SOLUTIONS, L.P.

ANNEX I
COMMITMENTS

Name of Lender	Revolving Commitment	Term Loan Commitment
Wells Fargo Bank, National Association	$ 90,000,000.00	$ 25,000,000.00
Credit Agricole Corporate and Investment Bank	$ 90,000,000.00	$ 25,000,000.00
Bank of America, N.A.	$ 79,000,000.00	$ 21,000,000.00
Citibank, N.A.	$ 79,000,000.00	$ 21,000,000.00
Royal Bank of Canada	$ 79,000,000.00	$ 21,000,000.00
The Bank of Nova Scotia	$ 58,750,000.00	$ 16,250,000.00
Sumitomo Mitsui Banking Corporation	$ 58,750,000.00	$ 16,250,000.00
Goldman Sachs Bank USA	$ 40,000,000.00	$ 20,000,000.00
HSBC Bank USA, NA	$ 39,000,000.00	$ 11,000,000.00
Santander Bank, N.A.	$ 39,000,000.00	$ 11,000,000.00
Trustmark National Bank	$ 15,750,000.00	$ 4,250,000.00
Branch Banking and Trust Company	$ 11,750,000.00	$ 3,250,000.00
Caterpillar Financial Services Corporation	N/A	$ 50,000,000.00
TOTAL	$ 680,000,000.00	$ 245,000,000

ANNEX I
AMENDED AND RESTATED CREDIT AGREEMENT – EXTERRAN ENERGY SOLUTIONS, L.P.

EXHIBIT A-1
FORM OF REVOLVING NOTE

$, 201[·]

FOR VALUE RECEIVED, EXTERRAN ENERGY SOLUTIONS, L.P., a Delaware limited partnership (the "Borrower"), hereby promises to pay to (the "Lender") or registered assigns, at the office of WELLS FARGO BANK, NATIONAL ASSOCIATION, as the Administrative Agent (the "Administrative Agent"), at [ ], the principal sum of US Dollars ($) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Revolving Loans made by the Lender to the Borrower under the Credit Agreement, as hereinafter defined), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of each such Revolving Loan, at such office, in like money and funds, for the period commencing on the date of such Revolving Loan until such Revolving Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

The date, amount, Type, interest rate, Interest Period and maturity of each Revolving Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books.

This Revolving Note is one of the Revolving Notes referred to in the Amended and Restated Credit Agreement dated as of October [ ], 2015, among Exterran Corporation, as Parent, the Borrower, the Administrative Agent and the other Agents and Lenders from time to time party thereto (including the Lender) (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), and evidences the Revolving Loans made by the Lender thereunder. Capitalized terms used in this Revolving Note and not defined herein have the respective meanings assigned to them in the Credit Agreement.

This Revolving Note is issued pursuant to the Credit Agreement and is entitled to the benefits provided for in the Credit Agreement and the Security Instruments. The Credit Agreement provides for the acceleration of the maturity of this Revolving Note upon the occurrence of certain events and for prepayments of Revolving Loans upon the terms and conditions specified therein and other provisions relevant to this Revolving Note.

[*Signature Page Follows*]

THIS REVOLVING NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

EXHIBIT A-2
FORM OF TERM LOAN NOTE

$, 201[·]

FOR VALUE RECEIVED, EXTERRAN ENERGY SOLUTIONS, L.P., a Delaware limited partnership (the "Borrower"), hereby promises to pay to (the "Lender") or registered assigns, at the office of WELLS FARGO BANK, NATIONAL ASSOCIATION, as the Administrative Agent (the "Administrative Agent"), at [ ], the principal sum of US Dollars ($) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Term Loans made by the Lender to the Borrower under the Credit Agreement, as hereinafter defined), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of each such Term Loan, at such office, in like money and funds, for the period commencing on the date of such Term Loan until such Term Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement.

The date, amount, Type, interest rate, Interest Period and maturity of each Term Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books.

This Term Loan Note is one of the Term Loan Notes referred to in the Amended and Restated Credit Agreement dated as of October [ ], 2015, among Exterran Corporation, as Parent, the Borrower, the Administrative Agent and the other Agents and Lenders from time to time party thereto (including the Lender) (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), and evidences the Term Loans made by the Lender thereunder. Capitalized terms used in this Term Loan Note and not defined herein have the respective meanings assigned to them in the Credit Agreement.

This Term Loan Note is issued pursuant to the Credit Agreement and is entitled to the benefits provided for in the Credit Agreement and the Security Instruments. The Credit Agreement provides for the acceleration of the maturity of this Term Loan Note upon the occurrence of certain events and for prepayments of Term Loans upon the terms and conditions specified therein and other provisions relevant to this Term Loan Note.

[*Signature Page Follows*]

THIS TERM LOAN NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS.

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

EXHIBIT B
FORM OF BORROWING REQUEST

[ ], 201[ ]

EXTERRAN ENERGY SOLUTIONS, L.P., a Delaware limited partnership (the "Borrower"), pursuant to the Amended and Restated Credit Agreement dated as of October [ ], 2015, among Exterran Corporation, as Parent, the Borrower, the Administrative Agent and the other Agents and Lenders from time to time party thereto (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), hereby makes the requests indicated below (unless otherwise defined herein, each capitalized term used herein is defined in the Credit Agreement):

1. [Revolving] [Term Loan] Borrowing:

(a) [The currency of such Revolving Borrowing shall be [US Dollars] [Euros] and the aggregate amount of such Revolving Borrowing is [$] [€] ;[and](1)

[The aggregate amount of such Term Loan Borrowing is [$] ;](2)

(b) The requested funding date for such [Revolving/Term Loan] Borrowing is , ;(3)

For a [Revolving/Term Loan] Borrowing in US Dollars:

[(c) $ of such [Revolving/Term Loan] Borrowing is to be an ABR Borrowing;

(d) $ of such [Revolving/Term Loan] Borrowing is to be a LIBOR Borrowing;

(i) The length of the initial Interest Period for such LIBOR Borrowing is: ;

(e) $ of such Revolving Borrowing is to be a EURIBOR Borrowing; and

(i) The length of the initial Interest Period for such EURIBOR Borrowing is: .]

[For a Revolving Borrowing in Euros:

(1) Only applicable to Revolving Borrowings.

(2) Only applicable to Term Loan Borrowings made on the Initial Availability Date.

(3) Must be a Business Day.

(e) € of such Revolving Borrowing is to be a EURIBOR Borrowing;

(i) The length of the initial Interest Period for such EURIBOR Borrowing is: .](4)

(f) The location and number of the account to which funds are to be disbursed is:

.

2. The undersigned hereby represents and warrants, in his/her official capacity and not in his/her individual capacity, on behalf of the Borrower that, the [Revolving/Term Loan] Borrowing requested herein shall not cause the Total Revolving Credit Exposure to exceed the Aggregate Revolving Commitments or the total outstanding Term Loans to exceed the total Term Loan Commitments.

[*Signature page follows.*]

(4) Only applicable to Revolving Borrowings.

The undersigned certifies that he/she is the of the Borrower and that he/she is authorized to execute this Borrowing Request on behalf of the Borrower. The undersigned further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to receive the proceeds of the requested Borrowing under the terms and conditions of the Credit Agreement.

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

EXHIBIT C
FORM OF INTEREST ELECTION REQUEST

[ ], 201[ ]

EXTERRAN ENERGY SOLUTIONS, L.P., a Delaware limited partnership (the "Borrower"), pursuant to Section 2.04 of the Amended and Restated Credit Agreement dated as of October [ ], 2015, among Exterran Corporation, as Parent, the Borrower, the Administrative Agent and the other Agents and Lenders from time to time party thereto (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; capitalized terms used but not defined herein shall have the meaning assigned to such terms in the Credit Agreement), hereby gives you notice that it elects to [continue the Borrowing listed below, or a portion thereof as described below] [convert the Borrowing listed below, or a portion thereof as described below, to a different Type], and in that connection sets forth below the terms on which such [conversion] [continuation] is to be made.

(a) The amount of the Borrowing to which

this Interest Election Request applies(1): _____

(b) The effective date of the election (which is a Business Day): _____

(c) Type of Borrowing following [conversion] [continuation]: [ABR] [LIBOR] [EURIBOR]

(d) Interest Period and the last day thereof(2): _____

[*Signature page follows.*]

(1) If different options are being elected with respect to different portions of such Borrowing, specify the portions thereof to be allocated to each resulting Borrowing and specify the information requested in clauses (c) and (d) for each resulting Borrowing.

(2) For LIBOR Borrowing and EURIBOR Borrowing only. Shall be subject to the definition of "Interest Period" in the Credit Agreement.

The undersigned certifies that he/she is the of the Borrower and that he/she is authorized to execute this certificate on behalf of the Borrower. The undersigned further certifies, represents and warrants on behalf of the Borrower that the Borrower is entitled to make the requested continuation or conversion under the terms and conditions of the Credit Agreement.

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

EXHIBIT D
FORM OF COMPLIANCE CERTIFICATE(1)

[ ], 201[ ]

The undersigned hereby certifies that he/she is the of and he/she is authorized to execute this Compliance Certificate on behalf of Exterran Energy Solutions, L.P., a Delaware limited partnership (the "Borrower").

With reference to the Amended and Restated Credit Agreement dated as of October [ ], 2015, among Exterran Corporation, as Parent, the Borrower, the Administrative Agent and the other Agents and Lenders from time to time party thereto (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), the undersigned represents and warrants, in his/her official capacity and not in his/her individual capacity, on behalf of the Borrower as follows (each capitalized term used herein having the same meaning given to it in the Credit Agreement unless otherwise specified):

(a) As of the date hereof, no Default has occurred and is continuing under the Credit Agreement [except as described below] (2).

[ ]

(b) Attached hereto are the computations in reasonable detail necessary to determine whether Parent is in compliance with Sections 9.10(a), 9.10(b) and 9.10(c) of the Credit Agreement as of the end of the most recently ended [Fiscal Quarter][Fiscal Year] ending [ ].(3)

[*Signature page follows.*]

(1) Compliance Certificate to be accompanied by (i) a report, to be dated as of the date of the Compliance Certificate, setting forth a true and complete list of all Hedging Agreements pursuant to Section 8.01(b) of the Credit Agreement and (ii) if applicable, a report, to be dated as of the date of the Compliance Certificate, setting forth a true and complete list of all letters of credit permitted under Section 9.01(t), including the name of the Secured LC Provider providing each such letter of credit facility and the face amount thereof.

(2) If any Default has occurred and is continuing as of the date hereof, describe the same in reasonable detail in the space provided below part (a).

(3) Pursuant to Section 8.06, if the book value of Non-Mortgaged Real Property exceeds $15M as of the last day of any Fiscal Quarter, the Borrower shall deliver, within 30 days after delivery of the Financial Statements, Mortgages with respect to such real property as is necessary to ensure that the aggregate book value of all Non-Mortgaged Real Property does not exceed $15M. Further, if in the aggregate, the value of Specified US Assets of the Wholly-Owned Domestic Subsidiaries that are not Guarantors exceeds $75M as of the last day of any Fiscal Quarter, then the Borrower shall designate as many of such Wholly-Owned Domestic Subsidiaries as is necessary to ensure that the value of the Specified US Assets of the Wholly-Owned Domestic Subsidiaries that are not Guarantors as of the last day of such Fiscal Quarter does not exceed $75M and shall deliver a supplement to the Guaranty and Collateral Agreement and customary documentation not later than 30 days after delivery of the financial statements for such Fiscal Quarter.

IN WITNESS WHEREOF, the undersigned has duly executed this Compliance Certificate as of the date first set forth above.

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

EXHIBIT E
FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between **[***Insert name of Assignor***]** (the "Assignor") and **[***Insert name of Assignee***]** (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____

2. Assignee: _____
[and is an Affiliate of [*identify Lender*](1)]

3. Borrower: Exterran Energy Solutions, L.P., a Delaware limited partnership

4. Administrative Agent: Wells Fargo Bank, National Association, as the administrative agent under the Credit Agreement

5. Credit Agreement: The Amended and Restated Credit Agreement dated as of October [ ], 2015, among Exterran Corporation, as Parent, the Borrower,

(1) Select as applicable.

the Administrative Agent and the other Agents and Lenders from time to time party thereto (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time)

6. Assigned Interest:

Commitment/Loans Assigned(2)	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans(3)
	$	$	%
	$	$	%
	$	$	%

Effective Date: , 201 **[**TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.**]**

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR**]**

By: _____
Name:
Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

(2) Fill in the appropriate terminology for the types of Commitments and/or Loans under the Credit Agreement that are being assigned under this Assignment and Assumption (e.g. "Revolving Commitment," etc.)

(3) Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[Consented to by:](4)

WELLS FARGO, NATIONAL ASSOCIATION, as
Administrative Agent

By _____
Name:
Title:

[NAME OF ISSUING BANK], as Issuing Bank

By _____
Name:
Title:

[Consented to by:](5)

EXTERRAN ENERGY SOLUTIONS, L.P., as Borrower

By _____
Name:
Title:

(4) To be added only if the consent of the Administrative Agent and the Issuing Bank is required by the terms of the Credit Agreement.

(5) To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.

ANNEX 1

STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of Parent, the Borrower, any of Parent's Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, Parent or any of Parent's Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a

Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the laws of the State of Texas.

EXHIBIT F
SECURITY INSTRUMENTS

1. Guaranty and Collateral Agreement (as amended, restated, amended and restated supplemented or otherwise modified from time to time, the "Guaranty and Collateral Agreement"), to be dated as of the Initial Availability Date, made by Exterran Corporation, as Parent, Exterran Energy Solutions, L.P., as Borrower, and the other Guarantors party thereto in favor of Wells Fargo Bank, National Association, as Administrative Agent.

2. UCC-1 Financing Statements naming as debtor each of Exterran Energy Solutions, L.P., Exterran Corporation and the other Guarantors party to the Guaranty and Collateral Agreement.

3. Pledge Agreement (as amended, restated, amended and restated supplemented or otherwise modified from time to time, the "Pledge Agreement"), to be dated as of the Initial Availability Date, made by the pledgors party thereto in favor of Wells Fargo Bank, National Association, as Administrative Agent.

4. Deed of Trust (for Texas), Mortgage (for Oklahoma), Assignment of Leases and Rents, Security Agreement, Fixture Filing and Financing Statement , to be dated as of the Initial Availability Date, by and among Exterran Energy Solutions, L.P., as grantor, an individual to be named later, as trustee, and Wells Fargo Bank, National Association, as beneficiary.

EXHIBIT G

[Reserved]

EXHIBIT H-1
FORM OF REVOLVING COMMITMENT INCREASE CERTIFICATE

[ ], 201[ ]

To: Wells Fargo Bank, National Association,
as Administrative Agent

Exterran Energy Solutions, L.P., a Delaware limited partnership (the "Borrower"), Exterran Corporation, as Parent, the Administrative Agent, the other Agents and certain Lenders have heretofore entered into the Amended and Restated Credit Agreement dated as of October [ ], 2015 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Credit Agreement.

This Revolving Commitment Increase Certificate is being delivered pursuant to Section 2.06(c)(ii)(F) of the Credit Agreement. Please be advised that:

(a) the amount of the requested increase in the Aggregate Revolving Commitments is $[ ];

(b) each of the undersigned Revolving Lenders has agreed (i) to increase its Revolving Commitment under the Credit Agreement effective [ ], 201[ ] so that, after giving effect hereto, its Revolving Commitment will be equal to the amount set forth opposite its name in Annex I attached hereto and

(ii) that it shall continue to be a party in all respects to the Credit Agreement and the other Loan Documents;

(c) attached hereto is a new Annex I that replaces the outstanding Annex I to the Credit Agreement, reflecting the new Aggregate Revolving Commitments after giving effect to the increase in the Revolving Commitments contemplated hereby.

Delivery of an executed counterpart of this Revolving Commitment Increase Certificate by facsimile or other electronic transmission shall be effective as delivery of an original executed counterpart of this Revolving Commitment Increase Certificate.

Very truly yours,

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

Accepted and Agreed:

Wells Fargo Bank, National Association,
as Administrative Agent

By: _____
Name: _____
Title: _____

Accepted and Agreed:

[NAME OF REVOLVING LENDER], as Revolving Lender

By: _____
Name: _____
Title: _____

EXHIBIT H-2
FORM OF ADDITIONAL REVOLVING LENDER CERTIFICATE

[ ], 201[ ]

To: Wells Fargo Bank, National Association,
as Administrative Agent

Exterran Energy Solutions, L.P., a Delaware limited partnership (the "Borrower"), Exterran Corporation, as Parent, the Administrative Agent, the other Agents and certain Lenders have heretofore entered into the Amended and Restated Credit Agreement dated as of October [ ], 2015 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Credit Agreement.

This Additional Revolving Lender Certificate is being delivered pursuant to Section 2.06(c)(ii)(G) of the Credit Agreement.

Please be advised that the undersigned has agreed (a) to become a Revolving Lender under the Credit Agreement effective [ ], 201[ ] with a Revolving Commitment of $[ ] and (b) that it shall be a party in all respects to the Credit Agreement and the other Loan Documents.

This Additional Revolving Lender Certificate is being delivered to the Administrative Agent together with, (i) if the Additional Revolving Lender is a Foreign Lender, any documentation required to be delivered by such Additional Revolving Lender pursuant to Section 5.03(g) of the Credit Agreement, duly completed and executed by the Additional Revolving Lender, and (ii) an Administrative Questionnaire in the form supplied by the Administrative Agent, duly completed by the Additional Revolving Lender.

Very truly yours,

EXTERRAN ENERGY SOLUTIONS, L.P.

By: _____
Name: _____
Title: _____

Accepted and Agreed:

Wells Fargo Bank, National Association,
as Administrative Agent

By: _____
Name: _____
Title: _____

Accepted and Agreed:

[NAME OF ADDITIONAL REVOLVING LENDER],
as Additional Revolving Lender

By: _____
Name: _____
Title: _____

EXHIBIT I-1
FORM OF U.S. TAX CERTIFICATE

(For Foreign Lenders That For U.S. Federal Tax Purposes Are Not (i) Partnerships or (ii) Disregarded Entities Whose Tax Owner is a Partnership)

Reference is made to that certain Amended and Restated Credit Agreement, dated as of [ ], 2015 (together with all amendments, restatements, amendments and restatements, supplements or other modifications, if any, from time to time made thereto, the "Credit Agreement"), among Exterran Energy Solutions, L.P., a limited partnership formed under the laws of the state of Delaware ("Borrower"); Exterran Corporation, a corporation formed under the laws of the state of Delaware as Parent; Wells Fargo Bank, National Association as Administrative Agent; Credit Agricole Corporate and Investment Bank as Syndication Agent; Bank of America, N.A., Citibank, N.A. and Royal Bank of Canada as Co-Documentation Agents; the Lenders from time to time party thereto; Wells Fargo Securities, LLC and Credit Agricole Corporate and Investment Bank as Joint Bookrunners; and the Joint Lead Arrangers party thereto.

Pursuant to the provisions of Section 5.03(g) of the Credit Agreement, the undersigned (or if the Lender is a disregarded entity for U.S. federal tax purposes, the Lender's tax owner ("Tax Owner")) hereby certifies that (i) the Lender is the sole record owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) the Lender (or its Tax Owner) is the sole beneficial owner of such Loan(s) (as well as any note(s) evidencing such Loan(s)), and (iii) the Lender (and, if the Lender is a disregarded entity for U.S. federal tax purposes, its Tax Owner) is not a (A) bank within the meaning of Section 881(c)(3)(A) of the Code, (B) ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or (C) controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned (or its Tax Owner) has furnished the Administrative Agent and the Borrower with two (2) duly completed and executed copies of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER] (the "Lender")

By: _____
Name:
Title: [Tax Owner, if the Lender is a disregarded entity]

Date: , 201[ ]

EXHIBIT I-2
FORM OF U.S. TAX CERTIFICATE

(For Foreign Participants That For U.S. Federal Income Tax Purposes Are Not (i) Partnerships or (ii) Disregarded Entities Whose Tax Owner is a Partnership)

Reference is made to that certain Amended and Restated Credit Agreement, dated as of [ ], 2015 (together with all amendments, restatements, amendments and restatements, supplements or other modifications, if any, from time to time made thereto, the "Credit Agreement"), among Exterran Energy Solutions, L.P., a limited partnership formed under the laws of the state of Delaware ("Borrower"); Exterran Corporation, a corporation formed under the laws of the state of Delaware as Parent; Wells Fargo Bank, National Association as Administrative Agent; Credit Agricole Corporate and Investment Bank as Syndication Agent; Bank of America, N.A., Citibank, N.A. and Royal Bank of Canada as Co-Documentation Agents; the Lenders from time to time party thereto; Wells Fargo Securities, LLC and Credit Agricole Corporate and Investment Bank as Joint Bookrunners; and the Joint Lead Arrangers party thereto.

Pursuant to the provisions of Section 5.03(g) of the Credit Agreement, the undersigned (or if the Participant is a disregarded entity for U.S. federal tax purposes, the Participant's tax owner ("Tax Owner")) hereby certifies that (i) the Participant is the sole record owner of the participation in respect of which it is providing this certificate, (ii) the Participant (or, if the Participant is a disregarded entity for U.S. federal tax purposes, its Tax Owner) is the sole beneficial owner of such participation, and (iii) the Participant (and, if the Participant is a disregarded entity for U.S. federal tax purposes, its Tax Owner) is not a (A) bank within the meaning of Section 881(c)(3)(A) of the Code, (B) ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or (C) controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned (or its Tax Owner) has furnished its participating Lender with two (2) duly completed and executed copies of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT] (the "Participant")

By: _____
Name:
Title: [Tax Owner, if the Participant is a disregarded entity]

Date: , 201[ ]

EXHIBIT I-3
FORM OF U.S. TAX CERTIFICATE

(For Foreign Participants That For U.S. Federal Tax Purposes Are (i) Partnerships or (ii) Disregarded Entities Whose Tax Owner is a Partnership)

Reference is made to that certain Amended and Restated Credit Agreement, dated as of [ ], 2015 (together with all amendments, restatements, amendments and restatements, supplements or other modifications, if any, from time to time made thereto, the "Credit Agreement"), among Exterran Energy Solutions, L.P., a limited partnership formed under the laws of the state of Delaware ("Borrower"); Exterran Corporation, a corporation formed under the laws of the state of Delaware as Parent; Wells Fargo Bank, National Association as Administrative Agent; Credit Agricole Corporate and Investment Bank as Syndication Agent; Bank of America, N.A., Citibank, N.A. and Royal Bank of Canada as Co-Documentation Agents; the Lenders from time to time party thereto; Wells Fargo Securities, LLC and Credit Agricole Corporate and Investment Bank as Joint Bookrunners; and the Joint Lead Arrangers party thereto.

Pursuant to the provisions of Section 5.03(g) of the Credit Agreement, the undersigned (or if the Participant is a disregarded entity for U.S. federal tax purposes, the Participant's tax owner ("Tax Owner")) hereby certifies that (i) the Participant is the sole record owner of the participation in respect of which it is providing this certificate, (ii) the Participant's (or its Tax Owner's) direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned, its Tax Owner (if the Participant is a disregarded entity for U.S. federal tax purposes) nor any of its (or its Tax Owner's) direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of the Participant's direct or indirect partners/members (and, if the Participant is a disregarded entity for U.S. federal tax purposes, none of its Tax Owner's direct or indirect partners/members) is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (v) none of the Participant's direct or indirect partners/members (and, if the Participant is a disregarded entity for U.S. federal tax purposes, none of its Tax Owner's direct or indirect partners/members) is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned (or its Tax Owner) has furnished its participating Lender with two (2) duly completed and executed copies of its non-U.S. Person status on IRS Form W-8IMY accompanied by one of the following forms from each of its (or its Tax Owner's) partners/members claiming the portfolio interest exemption: (i) an IRS Form W-8BEN, (ii) an IRS Form W-8BEN-E, or (iii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or an IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT] (the "Participant")

By: _____
Name:
Title: [Tax Owner, if the Participant is a disregarded entity]

Date: , 201[ ]

EXHIBIT I-4
FORM OF U.S. TAX CERTIFICATE

(For Foreign Lenders That For U.S. Federal Tax Purposes Are (i) Partnerships, or (ii) Disregarded Entities Whose Tax Owner is a Partnership)

Reference is made to that certain Amended and Restated Credit Agreement, dated as of [ ], 2015 (together with all amendments, restatements, amendments and restatements, supplements or other modifications, if any, from time to time made thereto, the "Credit Agreement"), among Exterran Energy Solutions, L.P., a limited partnership formed under the laws of the state of Delaware ("Borrower"); Exterran Corporation, a corporation formed under the laws of the state of Delaware as Parent; Wells Fargo Bank, National Association as Administrative Agent; Credit Agricole Corporate and Investment Bank as Syndication Agent; Bank of America, N.A., Citibank, N.A. and Royal Bank of Canada as Co-Documentation Agents; the Lenders from time to time party thereto; Wells Fargo Securities, LLC and Credit Agricole Corporate and Investment Bank as Joint Bookrunners; and the Joint Lead Arrangers party thereto.

Pursuant to the provisions of Section 5.03(g) of the Credit Agreement, the undersigned (or if the Lender is a disregarded entity for U.S. federal tax purposes, the Lender's tax owner ("Tax Owner")) hereby certifies that (i) the Lender is the sole record owner of the Loan(s) (as well as any note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) the Lender's (or its Tax Owner's) direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Loan Document, neither the Lender, its Tax Owner (if the Lender is a disregarded entity for U.S. federal tax purposes) nor any of the Lender's (or its Tax Owner's) direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of the Lender's direct or indirect partners/members (and, if the Lender is a disregarded entity for U.S. federal tax purposes, none of its Tax Owner's direct or indirect partners/members) is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (v) none of the Lender's direct or indirect partners/members (and, if the Lender is a disregarded entity for U.S. federal tax purposes, none of its Tax Owner's direct or indirect partners/members) is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned (or its Tax Owner) has furnished the Administrative Agent and the Borrower with two (2) duly completed and executed copies of its non-U.S. Person status on IRS Form W-8IMY accompanied by one of the following forms from each of its (or its Tax Owner's) partners/members claiming the portfolio interest exemption: (i) an IRS Form W-8BEN, (ii) an IRS Form W-8BEN-E, or (iii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or an IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and

currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER] (the "Lender")

By: _____
Name:
Title: [Tax Owner, if the Lender is a disregarded entity]

Date: ,201[ ]

Schedule 1.01(a)

SEPARATION DOCUMENTS

1. Separation and Distribution Agreement, in the form delivered and certified to the Lenders pursuant to Section 6.01(c) of the Credit Agreement, as modified from time to time prior to the Initial Availability Date to the extent permitted under Section 6.02(a)(vii) of the Credit Agreement, by and among Exterran Corporation, Exterran General Holdings LLC, Exterran Energy Solutions, L.P., EESLP LP LLC, Exterran Holdings, Inc. (to be renamed Archrock, Inc.), AROC Corp., AROC Services GP LLC, AROC Services LP LLC and Archrock Services, L.P.

2. Transition Services Agreement, in the form delivered and certified to the Lenders pursuant to Section 6.01(c) of the Credit Agreement, as modified from time to time prior to the Initial Availability Date to the extent permitted under Section 6.02(a)(vii) of the Credit Agreement, by and between Exterran Corporation and Exterran Holdings, Inc. (to be renamed Archrock, Inc.).

3. Employee Matters Agreement, in the form delivered and certified to the Lenders pursuant to Section 6.01(c) of the Credit Agreement, as modified from time to time prior to the Initial Availability Date to the extent permitted under Section 6.02(a)(vii) of the Credit Agreement, by and between Exterran Corporation and Exterran Holdings, Inc. (to be renamed Archrock, Inc.).

4. Tax Matters Agreement, in the form delivered and certified to the Lenders pursuant to Section 6.01(c) of the Credit Agreement, as modified from time to time prior to the Initial Availability Date to the extent permitted under Section 6.02(a)(vii) of the Credit Agreement, by and between Exterran Corporation and Exterran Holdings, Inc. (to be renamed Archrock, Inc.).

Schedule 1.01(b)

UNRESTRICTED SUBSIDIARIES

None.

Schedule 1.02(a)

EXISTING LETTERS OF CREDIT

[To be provided upon request]

Schedule 1.02(b)

LC ISSUANCE LIMIT

Issuing Bank		LC Issuance Limit
Wells Fargo Bank, National Association	$	80,000,000
Crédit Agricole Corporate and Investment Bank	$	79,000,000
Bank of America, N.A.	$	79,000,000
Citibank, N.A.	$	79,000,000
Royal Bank of Canada	$	79,000,000
Bank of Nova Scotia	$	5,000,000

Schedule 7.03

LITIGATION

None.

Schedule 7.09

TAXES

None.

Schedule 7.10

TITLES, ETC.

None.

Schedule 7.13

SUBSIDIARIES

Company	Ownership	Jurisdiction of Incorporation	Legal entity	Restricted Subsidiary or Unrestricted Subsidiary	Excluded Subsidiary	Domestic Subsidiary or Foreign Subsidiary *	U.S. EIN
Belleli Energy B.V.	Wholly owned	Netherlands	Corporation	Restricted		Foreign	
Belleli Energy Critical Process Equipment S.r.l.	Wholly owned	Italy	Corporation	Restricted		Foreign *	98-0614453
Belleli Energy F.Z.E.	Wholly owned	UAE Sharjah	Corporation	Restricted		Foreign	
Belleli Energy S.r.l.	Wholly owned	Italy	Corporation	Restricted		Foreign *	98-0614456
EES Finance Corp.	Wholly owned	Delaware	Corporation	Restricted		Domestic	47-4473176
EESLP LP LLC	Wholly owned	Delaware	Limited liability company	Restricted		Domestic	47-3405915
Enterra B.V.	Wholly owned	Netherlands	Limited liability company	Restricted		Foreign	98-1242388
Enterra Compression Investment LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Domestic	88-0349384
Enterra Global Holdings LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Domestic	26-2580671
Excel Energy Services Limited	Wholly owned	Nigeria	Corporation	Restricted		Foreign	
EXH Cayman Ltd.	Wholly owned	Cayman Islands	Corporation	Restricted		Foreign	
Exterran (Beijing) Energy Equipment Company Ltd.	Wholly owned	China	Corporation	Restricted		Foreign	
Exterran (Colombia) Ltd.	Wholly owned	Colombia	Corporation	Restricted		Foreign	
Exterran (Singapore) Pte. Ltd.	Wholly owned	Singapore	Corporation	Restricted		Foreign	
Exterran (Thailand) Ltd.	Wholly owned	Thailand	Corporation	Restricted		Foreign	
Exterran Argentina S.r.l.	Wholly owned	Argentina	Corporation	Restricted		Foreign *	98-0683932
Exterran Bahrain S.P.C.	Wholly owned	Bahrain	Limited liability company	Restricted		Foreign	98-1036669
Exterran Bolivia S.r.l.	Wholly owned	Bolivia	Limited liability company	Restricted		Foreign	98-1149664
Exterran Cayman GP Holdings LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Domestic	
Exterran Cayman, L.P.	Wholly owned	Cayman Islands	Limited partnership	Restricted		Foreign	
Exterran Colombia Leasing LLC	Wholly owned	Delaware	Limited liability company	Restricted		Domestic	
Exterran Corporation	Parent	Delaware	Corporation	Restricted		Domestic	47-3282259

*Significant Foreign Subsidiary or Significant Domestic Subsidiary, as applicable.

Exterran Eastern Hemisphere F.Z.E.	Wholly owned	UAE Dubai	Corporation	Restricted		Foreign	98-0533505
Exterran Eastern Hemisphere Holdings LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Foreign	45-3691140
Exterran Egypt LLC	Wholly owned	Egypt	Corporation	Restricted		Foreign	
Exterran Egypt Oil & Gas Services LLC	Wholly owned	Egypt	Corporation	Restricted		Foreign	
Exterran Energy de Mexico, S. de R.L. de C.V.	Wholly owned	Mexico	Corporation	Restricted		Foreign *	
Exterran Energy Middle-East LLC	Wholly owned	Oman	Limited liability company	Restricted		Foreign	
Exterran Energy Solutions Compania Limitada (DBA Exterran Chile Ltda.)	Wholly owned	Chile	Corporation	Restricted		Foreign	
Exterran Energy Solutions India Private Limited	Wholly owned	India	Corporation	Restricted		Foreign	
Exterran Energy Solutions, L.P.	Wholly owned	Delaware	Limited partnership	Restricted		Domestic *	75-2344249
Exterran General Holdings LLC	Wholly owned	Delaware	Limited liability company	Restricted		Domestic	36-4410752
Exterran Holding Company NL B.V.	Wholly owned	Netherlands	Limited liability company	Restricted		Foreign	98-1036147
Exterran International Holdings LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Foreign	27-1416800
Exterran International Holdings C.V.	Wholly owned	Netherlands	Limited partnership	Restricted		Foreign	
Exterran International Holdings GP LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Domestic	
Exterran International SA	Wholly owned	Switzerland	Corporation	Restricted		Foreign	98-0335443
Exterran Kazakhstan LLP	Wholly owned	Kazakhstan	Limited liability partnership	Restricted		Foreign	
Exterran Middle East LLC	70% owned	Oman	Limited liability company	Restricted		Foreign	
Exterran Nigeria Limited	Wholly owned	Nigeria	Corporation	Restricted		Foreign	
Exterran Offshore Pte. Ltd.	Wholly owned	Singapore	Corporation	Restricted		Foreign	
Exterran Pakistan (Private) Limited	Wholly owned	Pakistan	Corporation	Restricted		Foreign	
Exterran Peru S.R.L.	Wholly owned	Peru	Corporation	Restricted		Foreign	
Exterran Peru Selva S.r.l.	Wholly owned	Peru	Corporation	Restricted		Foreign	98-1187297
Exterran Services (UK) Ltd.	Wholly owned	United Kingdom	Corporation	Restricted		Foreign	98-0469827
Exterran Services B.V.	Wholly owned	Netherlands	Corporation	Restricted		Foreign	98-0512765

Exterran Servicos de Oleo e Gas Ltda.	Wholly owned	Brazil	Limited liability company	Restricted		Foreign *	98-0586824
Exterran Trinidad LLC	Wholly owned	Delaware	Limited liability company	Restricted		Domestic	45-5426735
Exterran Venezuela, S.R.L.	Wholly owned	Venezuela	Limited liability company	Restricted		Foreign	98-1063810
Exterran Water Solutions ULC	Wholly owned	Alberta, Canada	Unlimited liability corporation	Restricted		Foreign	98-0693464
ExterranEnergy Solutions Ecuador Cia. Ltda.	Wholly owned	Ecuador	Limited liability company	Restricted		Foreign	98-0701361
Gas Conditioning of Mexico, S. de R.L. de C.V.	Wholly owned	Mexico	Corporation	Restricted		Foreign	
H.C.C. Compressor de Venezuela, C.A.	Wholly owned	Venezuela	Corporation	Restricted		Foreign	
Hanover Asia LLC	Wholly owned	Delaware	Limited liability company	Restricted		Domestic	76-0642996
Hanover Cayman Limited	Wholly owned	Cayman Islands	Corporation	Restricted		Foreign	
LLC Exterran Vostok	Wholly owned	Russia	Limited liability company	Restricted		Foreign	98-1039595
Production Operators Cayman Inc.	Wholly owned	Cayman Islands	Corporation	Restricted		Foreign	
PT. Exterran Indonesia	Wholly owned	Indonesia	Corporation	Restricted		Foreign	
Quimex Sarl	Wholly owned	Switzerland	Limited liability company	Restricted		Foreign	98-1085245
Quimex Tunisia Sarl	Wholly owned	Tunisia	Limited liability company	Restricted		Foreign	
UCI GP LLC	Wholly owned	Delaware	Limited liability	Restricted		Domestic	

			company				
UCO Compression Holding, L.L.C.	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Foreign	76-0593928
Universal Compression Cayman Ltd.	Wholly owned	Cayman Islands	Corporation	Restricted		Foreign	
Universal Compression International Holdings, S.L.U.	Wholly owned	Spain	Corporation	Restricted		Foreign	98-0683928
Universal Compression International Ltd.	Wholly owned	Cayman Islands	Corporation	Restricted		Foreign	
Universal Compression International, L.P.	Wholly owned	Delaware	Limited partnership	Restricted		Domestic	76-0580285
Universal Compression Mauritius	Wholly owned	Mauritius	Corporation	Restricted		Foreign	
Universal Compression of Colombia Ltd.	Wholly owned	Cayman Islands	Corporation	Restricted		Foreign	

Universal Compression Services, LLC	Wholly owned	Delaware	Limited liability company	Restricted	Excluded	Domestic	76-0593931
Uniwhale Ltd.	75% owned	Cayman Islands	Corporation	Restricted		Foreign	
WilPro Energy Services (El Furrial) Limited	33.33% owned	Cayman Islands	Corporation	Restricted		Foreign	98-0173905
WilPro Energy Services (PIGAP II) Limited	30% owned	Cayman Islands	Corporation	Restricted		Foreign	52-2120356

Schedule 7.16

ENVIRONMENTAL MATTERS

None.

Schedule 7.19

HEDGING AGREEMENTS

None.

Schedule 7.20

RESTRICTIONS ON LIENS

None.

Schedule 7.22

JURISDICTIONS FOR MORTGAGE FILINGS

Real Property Address	Owner as of the Initial Availability Date	Jurisdiction
20602 E 81st Street S. Broken Arrow, Oklahoma 74014	Exterran Energy Solutions, L.P.	Wagoner County, Oklahoma
12001 N Houston Rosslyn Road Houston, Texas 77086	Exterran Energy Solutions, L.P.	Harris County, Texas
4444 Brittmoore Road Houston, Texas 77041	Exterran Energy Solutions, L.P.	Harris County, Texas
4506 Brittmoore Road Houston, Texas 77041	Exterran Energy Solutions, L.P.	Harris County, Texas
4510 Brittmoore Road Houston, Texas 77041	Exterran Energy Solutions, L.P.	Harris County, Texas

Schedule 7.23

FLOOD PROPERTIES

The following addresses are real property locations that contain Buildings or Manufactured (Mobile) Homes:

Real Property Address	Owner as of the Initial Availability Date

20602 E 81st Street S. Broken Arrow, Oklahoma 74014	Exterran Energy Solutions, L.P.
12001 N Houston Rosslyn Road Houston, Texas 77086	Exterran Energy Solutions, L.P.
4444 Brittmoore Road Houston, Texas 77041	Exterran Energy Solutions, L.P.
4506 Brittmoore Road Houston, Texas 77041	Exterran Energy Solutions, L.P.
4510 Brittmoore Road Houston, Texas 77041	Exterran Energy Solutions, L.P.

Schedule 8.06

EXCLUDED COLLATERAL

Each reference to Collateral or to any relevant type or item of Property constituting Collateral shall be deemed to exclude (i) tangible Property that is not located in the continental United States (including its possessions), (ii) motor vehicles, forklifts, trailers, photocopiers or any property which may be covered by a certificate of title, (iii) any lease, license, contract, property rights or agreement to which the Borrower or any Subsidiary is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest shall constitute or result in (A) the abandonment, invalidation or unenforceability of any right, title or interest of such Person therein or (B) in a breach or termination pursuant to the terms of, or a default under, any such lease, license, contract property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code); provided, however, that such security interest shall, unless otherwise not excluded from the Collateral under the Loan Documents, attach immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified in (A) or (B) above.

Schedule 9.01

INDEBTEDNESS

The miscellaneous equipment leases and other equipment financings set forth on Schedule 9.02 are incorporated herein by reference.

(a) Schedule 9.02

LIENS

The following UCC filings securing obligations under equipment leases and other equipment financings under Exterran Energy Solutions, L.P. (as Listed Debtor) recorded in the State of Delaware:

(b)

Original Instrument No.	Collateral Description	Secured Creditor
2010 01089493	All of the equipment now or hereafter leased by Lessor to Lessee; and all accessions, additions, replacements, and substitutions thereto and therefore; and all proceeds including insurance proceeds thereof	NMHG Financial Services Inc.
2012 21112392	All parts, items and products as set forth on Exhibit A to the UCC Financing Statement. The foregoing parts, items and products, as well as any and all after acquired parts, items and products that Exterran Energy Solutions, L.P. may consign from Hagemeyer North America, Inc. going forward and that may be located at 12001 N. Houston Rosslyn, Houston TX 77086, or at any other Exterran Energy Solutions, L.P. location, shall be deemed collateral. *Collateral consists of equipment: abrasives, saw blades, welding equipment, safety equipment, tapes, lubricants, paint brushes, drill bits, etc.	Hagemeyer North America, Inc.
2012 21204520	Title to the Goods stored at the Facility shall remain vested in Bailor until Bailee uses such Goods, at which time title to such used Goods will transfer to Bailee. Bailee hereby authorizes Bailor to file financing statements in the number and form reasonably required by Bailor to provide notice of the transaction contemplated by this Agreement. Bailee will from time to time do and perform any other act and will	Summers Group, Inc. DBA Rexel

	execute any and all additional documents or papers as required by Bailor

	for the purpose of protecting Bailor's title to such Goods. Bailee shall designate the Goods (described on attached Exhibit A to the UCC Financing Statement) stored at the Facility as the property of Bailor and shall keep such Goods physically segregated from Bailee's other inventory. *Collateral consists of various pieces of equipment and tools	
2012 24433639	All of the equipment now or hereafter leased by Lessor to Lessee; and all accessions, additions, replacements, and substitutions thereto and therefore; and all proceeds including insurance proceeds thereof	NMHG Financial Services, Inc.
2013 32982164	Consignment of tubing	Marmon/Keystone LLC
2014 42504785	All of the equipment now or hereafter leased by Lessor to Lessee; and all accessions, additions, replacements, and substitutions thereto and therefore; and all proceeds including insurance proceeds thereof	NMHG Financial Services, Inc.
2014 44295697	RANPAK STANDARD PAD PAK JR SN 11306800	Carlson Systems LLC

Schedule 9.03

INVESTMENTS, LOANS AND ADVANCES

(c)

None.

Schedule 9.11(f)

PERMITTED DISPOSITIONS OF PROPERTY

[To be provided upon request]

Schedule 9.13

TRANSACTIONS WITH AFFILIATES

(d)

None.

Exhibit 21.1

Company	Ownership	Incorporation
Belleli Energy B.V.	Wholly owned	Netherlands
Belleli Energy Critical Process Equipment S.r.l.	Wholly owned	Italy
Belleli Energy F.Z.E.	Wholly owned	UAE Sharjah
Belleli Energy S.r.l.	Wholly owned	Italy
EES Finance Corp.	Wholly owned	Delaware
EESLP LP LLC	Wholly owned	Delaware
Enterra B.V.	Wholly owned	Netherlands
Enterra Compression Investment LLC	Wholly owned	Delaware
Enterra Global Holdings LLC	Wholly owned	Delaware
Excel Energy Services Limited	Wholly owned	Nigeria
EXH Cayman Ltd.	Wholly owned	Cayman Islands
Exterran (Beijing) Energy Equipment Company Ltd.	Wholly owned	China
Exterran (Colombia) Ltd.	Wholly owned	Colombia
Exterran (Singapore) Pte. Ltd.	Wholly owned	Singapore
Exterran (Thailand) Ltd.	Wholly owned	Thailand
Exterran Argentina S.r.l.	Wholly owned	Argentina
Exterran Bahrain S.P.C.	Wholly owned	Bahrain
Exterran Bolivia S.r.l.	Wholly owned	Bolivia
Exterran Cayman GP Holdings LLC	Wholly owned	Delaware
Exterran Cayman, L.P.	Wholly owned	Cayman Islands
Exterran Colombia Leasing LLC	Wholly owned	Delaware
Exterran Eastern Hemisphere F.Z.E.	Wholly owned	UAE Dubai
Exterran Eastern Hemisphere Holdings LLC	Wholly owned	Delaware
Exterran Egypt LLC	Wholly owned	Egypt
Exterran Egypt Oil & Gas Services LLC	Wholly owned	Egypt
Exterran Energy de Mexico, S. de R.L. de C.V.	Wholly owned	Mexico
Exterran Energy Middle-East LLC	Wholly owned	Oman
Exterran Energy Solutions Compania Limitada	Wholly owned	Chile
Exterran Energy Solutions India Private Limited	Wholly owned	India
Exterran Energy Solutions, L.P.	Wholly owned	Delaware
Exterran General Holdings LLC	Wholly owned	Delaware
Exterran Holding Company NL B.V.	Wholly owned	Netherlands
Exterran International Holdings LLC	Wholly owned	Delaware
Exterran International Holdings C.V.	Wholly owned	Netherlands
Exterran International Holdings GP LLC	Wholly owned	Delaware
Exterran International SA	Wholly owned	Switzerland
Exterran Kazakhstan LLP	Wholly owned	Kazakhstan
Exterran Middle East LLC	70% owned	Oman
Exterran Nigeria Limited	Wholly owned	Nigeria
Exterran Offshore Pte. Ltd.	Wholly owned	Singapore
Exterran Pakistan (Private) Limited	Wholly owned	Pakistan
Exterran Peru S.R.L.	Wholly owned	Peru
Exterran Peru Selva S.r.l.	Wholly owned	Peru
Exterran Services (UK) Ltd.	Wholly owned	United Kingdom
Exterran Services B.V.	Wholly owned	Netherlands
Exterran Servicos de Oleo e Gas Ltda.	Wholly owned	Brazil
Exterran Trinidad LLC	Wholly owned	Delaware
Exterran Venezuela, S.R.L.	Wholly owned	Venezuela
Exterran Water Solutions ULC	Wholly owned	Alberta, Canada
ExterranEnergy Solutions Ecuador Cia. Ltda.	Wholly owned	Ecuador
Gas Conditioning of Mexico, S. de R.L. de C.V.	Wholly owned	Mexico
H.C.C. Compressor de Venezuela, C.A.	Wholly owned	Venezuela
Hanover Asia LLC	Wholly owned	Delaware
Hanover Cayman Limited	Wholly owned	Cayman Islands
LLC Exterran Vostok	Wholly owned	Russia
Production Operators Cayman Inc.	Wholly owned	Cayman Islands
PT. Exterran Indonesia	Wholly owned	Indonesia
Quimex Sarl	Wholly owned	Switzerland
Quimex Tunisia Sarl	Wholly owned	Tunisia
UCI GP LLC	Wholly owned	Delaware
UCO Compression Holding, L.L.C.	Wholly owned	Delaware
Universal Compression Cayman Ltd.	Wholly owned	Cayman Islands
Universal Compression International Holdings, S.L.U.	Wholly owned	Spain
Universal Compression International Ltd.	Wholly owned	Cayman Islands
Universal Compression International, L.P.	Wholly owned	Delaware
Universal Compression Mauritius	Wholly owned	Mauritius
Universal Compression of Colombia Ltd.	Wholly owned	Cayman Islands
Universal Compression Services, LLC	Wholly owned	Delaware
Uniwhale Ltd.	75% owned	Cayman Islands

Table of Contents

Exhibit 99.1

(Subject to Completion, dated October 6, 2015)

16666 Northchase Drive
Houston, Texas 77060
, 2015

Dear Fellow Shareholders:

I am pleased to inform you that Exterran Holdings, Inc. intends to effect the spin-off of Exterran Corporation, a wholly owned subsidiary of Exterran Holdings, through a pro rata stock distribution to holders of Exterran Holdings common stock. Exterran Corporation will own the assets and liabilities associated with Exterran Holdings' international services and global fabrication businesses. In connection with the spin-off, Exterran Holdings will change its name to "Archrock, Inc." and will be traded on the New York Stock Exchange under the symbol "AROC." References to "Archrock" or "Exterran Holdings" before the spin-off refer to Exterran Holdings, Inc. and after the spin-off refer to Archrock, Inc. Upon the completion of the spin-off, Archrock shareholders will own 100% of the outstanding shares of common stock of Exterran Corporation.

The separation will be completed by way of a pro rata distribution of all of the outstanding shares of Exterran Corporation's common stock to Exterran Holdings' shareholders of record as of 5:00 p.m., New York City time, on , 2015, the record date for the distribution. Each Exterran Holdings shareholder of record will receive one share of Exterran Corporation's common stock for every two shares of Exterran Holdings common stock held on the record date. The distribution date of Exterran Corporation shares is expected to be , 2015. Shareholder approval of the spin-off is not required, and you do not need to take any action to receive shares of Exterran Corporation's common stock in the spin-off.

The distribution, which is subject to several customary conditions, will be issued in book-entry form only, which means that no physical stock certificates representing interests in Exterran Corporation will be issued. A book-entry account statement reflecting your ownership of shares of Exterran Corporation's common stock will be mailed to you, or your brokerage account will be credited for the shares on or about the distribution date. No fractional shares of Exterran Corporation's common stock will be issued. Instead, the transfer agent will aggregate fractional shares into whole shares, sell the whole shares in the open market at prevailing rates and distribute the net cash proceeds pro rata to each holder who would otherwise have been entitled to receive fractional shares in the distribution.

We intend for the spin-off to be tax-free to our shareholders (other than with respect to any cash received in lieu of fractional shares) and to us for U.S. federal income tax purposes. To that end, we expect to obtain an opinion of counsel substantially to the effect that, among other things and subject to certain qualifications and limitations, the distribution, together with certain other transactions, should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended, for U.S. federal income tax purposes. You should consult your own tax advisor as to the particular consequences of the spin-off to you, including the applicability and effect of any state, local and non-U.S. tax laws, which may result in the spin-off being taxable to you.

If you sell or otherwise transfer your shares of Exterran Holdings common stock on or prior to the distribution date, you will also be selling your right to receive shares of Exterran Corporation's common stock. You are encouraged to consult with your broker or financial advisor regarding the specific implications of transferring your Exterran Holdings common stock on or prior to the distribution date.

Exterran Corporation's common stock is expected to be traded on the New York Stock Exchange under the symbol "EXTN." **You do not need to take any action to receive your shares of Exterran Corporation's common stock. You do not need to pay any consideration for your shares of Exterran Corporation's common stock or surrender or exchange your shares of Exterran Holdings common stock**.

I encourage you to read the enclosed information statement, which is being mailed to all Exterran Holdings shareholders. It describes the spin-off in detail and contains important information about Exterran Corporation, including financial statements.

I believe the spin-off is a positive event for our shareholders, and I look forward to your continued support as a shareholder of Archrock. We remain committed to working on your behalf to build long-term shareholder value.

Sincerely,

D. Bradley Childers
President and Chief Executive Officer
Exterran Holdings, Inc.

Table of Contents

4444 Brittmoore Road
Houston, Texas 77041

, 2015

To Shareholders of Exterran Corporation:

It is my pleasure to welcome you as a shareholder of Exterran Corporation. While we will be a new company upon our separation from Exterran Holdings, Inc., our business has a history of strong financial and operational performance providing global product sales and international energy infrastructure services in Latin America and parts of the Eastern Hemisphere.

We believe operating these businesses as a separate company will: position us to benefit from the continued build-out of the global energy infrastructure and the redevelopment currently underway in North America; create financial flexibility enabling us to continue investing in value-creating contract operations projects; and expand our potential product sales customer base. Accordingly, we believe we can more effectively focus on our global product sales business and our international services businesses as an independent company, and bring more value to you as a shareholder, than we could as a subsidiary of Exterran Holdings.

We currently employ approximately 7,000 people worldwide. We expect to list our common stock on the New York Stock Exchange under the symbol "EXTN."

We thank you in advance for your support as a shareholder of our common stock, and I invite you to learn more about us by reviewing the enclosed information statement.

Sincerely,

Andrew J. Way
President and Chief Executive Officer
Exterran Corporation

Table of Contents

Information contained herein is subject to completion or amendment. A Registration Statement on Form 10 relating to these securities has been filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

SUBJECT TO COMPLETION, DATED OCTOBER 6, 2015

INFORMATION STATEMENT

Exterran Corporation

Common Stock

(par value $0.01 per share)

This information statement is being furnished in connection with the distribution by Exterran Holdings, Inc. to its shareholders of all of the outstanding shares of common stock of Exterran Corporation. In connection with such distribution and the related spin-off transactions, Exterran Holdings, Inc. will change its name to "Archrock, Inc.," or Archrock. As of the date of this information statement, Exterran Holdings owns all of Exterran Corporation's outstanding common stock.

To implement the distribution, Exterran Holdings will distribute shares of Exterran Corporation common stock on a pro rata basis to the holders of Exterran Holdings common stock. You, as a holder of Exterran Holdings common stock, will be entitled to receive one share of our common stock for every two shares of Exterran Holdings common stock held as of 5:00 p.m., New York City time, on , 2015, the record date for the distribution. The distribution will be issued in book-entry form only without the delivery of any physical share certificates. No fractional shares of our common stock will be issued. Instead, the transfer agent will aggregate fractional shares into whole shares, sell the whole shares in the open market at prevailing rates and distribute the net cash proceeds pro rata to each holder who would otherwise have been entitled to receive fractional shares in the distribution. The distribution date for the spin-off will be , 2015.

You will not be required to pay any cash or other consideration for the shares of our common stock that will be distributed to you or to surrender or exchange your shares of Exterran Holdings common stock in order to receive shares of our common stock in the spin-off. The distribution will not affect the number of shares of Exterran Holdings common stock that you hold. Immediately after the distribution is completed, Exterran Corporation will be an independent, publicly traded company. It is expected that the distribution should generally be tax-free to Exterran Holdings and its shareholders for United States of America ("U.S.") federal income tax purposes, except to the extent that cash is received in lieu of fractional shares.

No approval by Exterran Holdings shareholders of the spin-off is required or being sought. You are not being asked for a proxy and you are requested not to send a proxy.

As discussed under "The Spin-Off—Trading of Exterran Holdings Common Stock After the Record Date and Prior to the Distribution," if you sell your shares of Exterran Holdings common stock in the "regular way" market after the record date and on or prior to the distribution date, you also will be selling your right to receive shares of our common stock in connection with the spin-off. You are encouraged to consult with your broker or financial advisor regarding the specific implications of selling your shares of Exterran Holdings common stock on or prior to the spin-off.

There currently is no trading market for our common stock. However, we expect that a limited market, commonly known as a "when-issued" trading market, for our common stock will begin on or shortly before the record date and will continue up to and including the spin-off date, and we expect that "regular way" trading of our common stock will begin the first day of trading following the spin-off. Subject to completion of the spin-off, we expect our common stock to be traded on the New York Stock Exchange under the symbol "EXTN."

In reviewing this information statement, you should carefully consider the matters described under the caption "Risk Factors" beginning on page 23.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.

This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Exterran Holdings first mailed this information statement to its shareholders on or about , 2015.

The date of this information statement is , 2015.

CONTENTS

	Page
QUESTIONS AND ANSWERS ABOUT THE SPIN-OFF	1
SUMMARY	8
SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA	21
RISK FACTORS	23
CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS	46
THE SPIN-OFF	48
CAPITALIZATION	61
DIVIDEND POLICY	62
SELECTED HISTORICAL COMBINED FINANCIAL DATA	63
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS	67
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	75
BUSINESS	106
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	116
RELATIONSHIP WITH ARCHROCK AFTER THE SPIN-OFF	117
MANAGEMENT	124
EXECUTIVE COMPENSATION	131
SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT	165
DESCRIPTION OF CAPITAL STOCK	167
DESCRIPTION OF MATERIAL INDEBTEDNESS	173
WHERE YOU CAN FIND MORE INFORMATION	174
INDEX TO FINANCIAL STATEMENTS	F-1

This information statement is being furnished solely to provide information to Exterran Holdings shareholders who will receive shares of our common stock in the spin-off. It is not provided as an inducement or encouragement to buy or sell any securities of Exterran Holdings or Exterran Corporation. This information statement describes our business, our relationship with Exterran Holdings and how the spin-off affects Exterran Holdings and its shareholders, and provides other information to assist you in evaluating the benefits and risks of holding or disposing of our common stock that you will receive in the spin-off. You should be aware of certain risks relating to our business, the spin-off and ownership of our common stock, which are described under the heading "Risk Factors." You should not assume that the information contained in this information statement is accurate as of any date other than the date set forth on the front cover. Changes to the information contained in this information statement may occur after that date, and we undertake no obligation to update the information contained in this information statement, unless we are required by applicable securities laws to do so.

Note Regarding the Use of Certain Terms

In this information statement, unless the context requires otherwise or we specifically indicate otherwise, the terms "our company," "we," "our" and "us" when used in a historical context refers to the international services and global fabrication businesses of Exterran Holdings, Inc. and its subsidiaries and when used in the present or future tense refer to Exterran Corporation and its subsidiaries after giving effect to the spin-off. In connection with the spin-off, Exterran Holdings, Inc. will change its name to "Archrock, Inc." and will be traded on the New York Stock Exchange under the symbol "AROC." The terms "Exterran Holdings" and "Archrock," when used in a historical context, refer to Exterran Holdings, Inc. and its subsidiaries (including us and all of our subsidiaries) and, when used in the future tense, refer to Archrock, Inc. and its subsidiaries after giving effect to the spin-off (excluding us and all of our subsidiaries). In connection with the spin-off, Exterran Partners, L.P., a Delaware limited partnership controlled and partially owned by Exterran Holdings that provides natural gas contract operations services to customers throughout the U.S. and that is publicly traded on the NASDAQ Global Select Market under the symbol "EXLP," will change its name to "Archrock Partners, L.P." and will be traded on the NASDAQ Global Select Market under the symbol "APLP." The terms "Exterran Partners" and "Archrock Partners," when used in a historical context, refer to Exterran Partners, L.P. and its subsidiaries and, when used in the future tense, refer to Archrock Partners, L.P. and its subsidiaries after giving effect to the spin-off. The term "EESLP" refers to Exterran Energy Solutions, L.P., a Delaware limited partnership. Following the completion of the spin-off, EESLP will be a wholly owned subsidiary of Exterran Corporation. References to Exterran Holdings' "international services businesses" refers to the international contract operations and international aftermarket services businesses of Exterran Holdings conducted outside of the United States. References to Exterran Holdings' "global fabrication business" refers to the fabrication and manufacturing business currently operated by Exterran Holdings worldwide, which Exterran Corporation will operate after the completion of the spin-off as its product sales business.

The separation of our businesses from Exterran Holdings' businesses will be accomplished through a series of transactions in which the assets, liabilities and operations of Exterran Holdings' existing U.S. contract operations and U.S. aftermarket services businesses will be transferred to a newly formed entity indirectly owned by Exterran Holdings (referred to herein as the "first contribution"), and such entity's stock will be distributed in an internal spin-off to Exterran Holdings (referred to herein, together with the first contribution, as the "internal distribution"). Exterran Holdings' existing international contract operations, international aftermarket services and global fabrication businesses will be transferred to us (referred to herein as the "second contribution"), and our common stock will be distributed pro rata to Exterran Holdings' shareholders as of the record date (referred to herein, together with the second contribution, as the "distribution"). We refer to these transactions globally as the "spin-off."

Industry and Market Data

The market data and certain other statistical information used throughout this information statement are based on independent industry publications, government publications and other published independent sources, as well as on our good faith estimates. Although we believe the third-party sources are reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section entitled "Risk Factors." These and other factors could cause results to differ materially from those expressed in these publications.

Basis of Presentation

Certain monetary amounts, percentages and other figures included in this information statement have been subject to rounding adjustments. Percentage amounts included in this information statement have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this information statement may vary from those obtained by performing the same calculations using the figures in our combined financial statements. Certain other amounts that appear in this information statement may not sum due to rounding.

QUESTIONS AND ANSWERS ABOUT THE SPIN-OFF

Q: What is the spin-off?

A: The spin-off will be accomplished through a series of transactions in which the assets, liabilities and operations of Exterran Holdings' existing U.S. contract operations and U.S. aftermarket services businesses will be transferred to a newly formed entity indirectly owned by Exterran Holdings (referred to herein as the "first contribution"), and such entity's stock will be distributed in an internal spin-off to Exterran Holdings (referred to herein, together with the first contribution, as the "internal distribution"). Exterran Holdings' existing international contract operations, international aftermarket services and global fabrication businesses will be transferred to us (referred to herein as the "second contribution"), and our common stock will be distributed pro rata to Exterran Holdings' shareholders as of the record date (referred to herein, together with the second contribution, as the "distribution"). We refer to these transactions globally as the "spin-off."

Q: Who are Archrock and Archrock Partners?

A: In connection with the spin-off, Exterran Holdings, Inc. will change its name to "Archrock, Inc." and will be traded on the New York Stock Exchange, or NYSE, under the symbol "AROC," and Exterran Partners, L.P. will change its name to "Archrock Partners, L.P." and will be traded on the NASDAQ Global Select Market under the symbol "APLP." References in this information statement to "Exterran Holdings" or "Archrock," when used in a historical context, refer to "Exterran Holdings, Inc." and its subsidiaries (including us and our subsidiaries), and, when used in the future tense, refer to "Archrock, Inc." and its subsidiaries after giving effect to the spin-off (excluding us and our subsidiaries). In addition, references in this information statement to "Exterran Partners" or "Archrock Partners," when used in a historical context, refer to "Exterran Partners, L.P." and its subsidiaries and, when used in the future tense, refer to "Archrock Partners, L.P." and its subsidiaries after giving effect to the spin-off.

Q: Why is Exterran Holdings separating our business from Exterran Holdings' business?

A: Exterran Holdings' board and management team believe that there are significant expected benefits to the simplified, separate companies resulting from this transaction, including:

- with respect to Archrock:
  - a focus on growing the U.S. services businesses, including organic growth, third party acquisitions and the sale by Archrock of additional U.S. contract operations assets to Archrock Partners;
  - relatively stable cash flows and a focus on its fee-based natural gas contract compression business;
  - the opportunity for Archrock to return a high percentage of cash flow to its shareholders in the form of a dividend;
  - a pure-play investment opportunity with significant exposure to the U.S. energy infrastructure redevelopment;
  - opportunities to pursue acquisitions with potentially more highly valued equity currency;
  - a narrowing of industry focus that may potentially provide more extensive and more specialized equity research coverage; and
  - the ability to be valued on a dividend yield basis, consistent with other publicly traded general partners, unlocking value for shareholders.

- with respect to us:

  - a focus on profitable growth in strategic markets and positioning us and our shareholders to benefit from the continued build-out of the global energy infrastructure and the redevelopment currently underway in North America;
  - in our international services businesses, relatively stable cash flows due to our exposure to the production phase of oil and gas development, as compared to drilling and completion related energy service and product providers;
  - limited capital expenditures in our product sales business;
  - financial flexibility to enable investment in value-creating contract operations projects; and
  - the opportunity to expand our potential product sales customer base to include companies in the U.S. contract compression business that have historically been Exterran Holdings' competitors.

For more information, please read "The Spin-Off—Reasons for the Spin-Off."

Q: What is being distributed in the spin-off?

A: Exterran Holdings will distribute one share of our common stock for every two shares of Exterran Holdings common stock outstanding as of the record date for the distribution. Approximately 34.7 million shares of our common stock will be distributed in the spin-off, based upon the number of shares of Exterran Holdings common stock outstanding on June 30, 2015 and that we expect will remain outstanding on , 2015, the record date for the spin-off. The shares of our common stock to be distributed by Exterran Holdings will constitute all of the issued and outstanding shares of our common stock at the closing of the spin-off. For more information on the shares being distributed in the spin-off, please read "Description of Capital Stock."

Q: What is the record date for the spin-off, and when will the spin-off occur?

A: The record date is , 2015, and ownership is determined as of 5:00 p.m., New York City time, on that date. Shares of our common stock will be distributed on , 2015, which we refer to as the distribution date.

Q: As a holder of shares of Exterran Holdings common stock as of the record date, what do I have to do to participate in the spin-off?

A: Nothing. You will receive one share of our common stock for every two shares of Exterran Holdings common stock held as of the record date and retained through the distribution date. You may also participate in the spin-off if you purchase Exterran Holdings common stock in the "regular way" market and retain your Exterran Holdings shares through the distribution date. Please read "The Spin-Off—Trading of Exterran Holdings Common Stock After the Record Date and Prior to the Distribution."

Q: If I sell my shares of Exterran Holdings common stock before or on the distribution date, will I still be entitled to receive shares of Exterran Corporation common stock in the spin-off?

A: If you sell your shares of Exterran Holdings common stock prior to or on the distribution date, you will also be selling your right to receive shares of our common stock. See "The Spin-Off—Trading of Exterran Holdings Common Stock After the Record Date and Prior to the Distribution." You are encouraged to consult with your broker or financial advisor regarding the specific implications of selling your Exterran Holdings common stock prior to or on the distribution date.

Q: How will fractional shares be treated in the spin-off?

A: Exterran Holdings will not distribute any fractional shares of our common stock to its shareholders. Instead, the transfer agent will aggregate fractional shares into whole shares, sell the whole shares in the open market at prevailing rates and distribute the net cash proceeds pro rata to each holder who would otherwise have been entitled to receive fractional shares in the distribution. For an explanation of how the cash payments for fractional shares will be determined, please read "The Spin-Off—Treatment of Fractional Shares."

Q: Will the spin-off affect the number of shares of Exterran Holdings I currently hold?

A: No. The number of shares of Exterran Holdings common stock held by a shareholder will be unchanged. The market value of each such share, however, is expected to decline to reflect the impact of the distribution.

Q: What are the U.S. federal income tax consequences of the spin-off to me?

A: Exterran Holdings expects to obtain an opinion of Latham & Watkins LLP (the "Tax Opinion") substantially to the effect that, for U.S. federal income tax purposes, (i) the internal distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) the distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, subject to certain qualifications and limitations. Accordingly, for U.S. federal income tax purposes, Exterran Holdings should not recognize any material gain or loss and you generally should recognize no gain or loss or include any amount in taxable income (other than with respect to cash received in lieu of fractional shares) as a result of the spin-off. The material U.S. federal income tax consequences of the spin-off are described in more detail under "The Spin-Off—Material U.S. Federal Income Tax Consequences of the Spin-Off." Information regarding tax matters in this information statement is for general information purposes only and does not constitute tax advice. **SHAREHOLDERS ARE ENCOURAGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE SPIN-OFF TO THEM, INCLUDING THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL, STATE AND LOCAL TAX LAWS, AS WELL AS FOREIGN TAX LAWS**.

Q: How will I determine the tax basis I will have in the shares of stock I receive in the spin-off?

A: Assuming that the distribution is tax-free to Exterran Holdings' shareholders, the tax basis in Exterran Holdings' common stock that you hold immediately prior will be allocated between such Exterran Holdings common stock and shares of our common stock received in the distribution in proportion to the relative fair market values of each immediately following the distribution. You should consult your tax advisor about how this allocation will work in your situation (including a situation where you have purchased Exterran Holdings shares at different times or for different amounts) and regarding any particular consequences of the spin-off to you, including the application of state, local and non-U.S. tax laws. The material U.S. federal income tax consequences of the spin-off are described in more detail under "The Spin-Off—Material U.S. Federal Income Tax Consequences of the Spin-Off."

Q: Will I receive a stock certificate for Exterran Corporation shares distributed as a result of the spin-off?

A: No. Registered holders of Exterran Holdings common stock who are entitled to participate in the spin-off will receive a book-entry account statement reflecting their ownership of our common stock. Following the spin-off, however, you may request physical stock certificates if you are a

holder of record. For additional information, registered shareholders in the United States should contact Exterran Holdings' transfer agent, American Stock Transfer & Trust Co., LLC, through its website at www.amstock.com. From outside the United States, shareholders may call (800) 937-5449. Please read "The Spin-Off—When and How You Will Receive Exterran Corporation Shares."

Q: What if I hold my shares through a broker, bank or other nominee?

A: Exterran Holdings shareholders who hold their shares through a broker, bank or other nominee will have their brokerage account credited with shares of our common stock. For additional information, those shareholders are encouraged to contact their broker, bank or nominee directly.

Q: What if I have stock certificates reflecting my shares of Exterran Holdings' common stock? Should I send them to the transfer agent or to Exterran Holdings?

A: No. You should not send your stock certificates to the transfer agent or to Exterran Holdings. You should retain your Exterran Holdings stock certificates.

Q: What are the conditions to the spin-off?

A: The spin-off is subject to a number of conditions, including, among others: (1) the continued effectiveness of an opinion of counsel substantially to the effect that, for U.S. federal income tax purposes, (i) the internal distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, and (ii) the distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, subject to certain qualifications and limitations; (2) the SEC's declaring effective the Registration Statement of which this information statement forms a part; (3) availability under the new $680.0 million revolving credit facility and the new $245.0 million term loan facility (collectively, the "new credit facility") of Exterran Energy Solutions, L.P., a Delaware limited partnership ("EESLP"), which will become our wholly owned subsidiary and the owner of all our operating subsidiaries following the spin-off; and (4) receipt and continued effectiveness of all material consents necessary to consummate the spin-off. However, even if all of the conditions have been satisfied, Exterran Holdings may amend, modify or abandon any and all terms of the spin-off and the related transactions at any time prior to the distribution date. Please read "The Spin-Off—Spin-Off Conditions and Termination."

Q: Will Exterran Corporation incur any debt prior to or at the time of the spin-off?

A: Exterran Holdings currently has in place a $900 million senior secured revolving credit facility (the "existing credit facility"). As of June 30, 2015, there was approximately $449.1 million of available borrowing capacity under the existing credit facility.

On July 10, 2015, Exterran Corporation and EESLP entered into a $750.0 million credit agreement among Exterran Corporation, EESLP, Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto. On October 5, 2015, the parties entered into an amended and restated credit agreement (the "credit agreement"), evidencing the new credit facility consisting of a new $680.0 million revolving credit facility and a new $245.0 million term loan facility. Availability under the new credit facility is conditioned upon the consummation of the spin-off on or prior to January 4, 2016. Upon the consummation of the spin-off, Exterran Corporation will guarantee EESLP's obligations under the credit facility. As of June 30, 2015, on a pro forma basis after giving effect to the spin-off, we would have had approximately $281.8 million in available borrowing capacity under the new credit facility.

We intend to transfer the net proceeds from the borrowings under the new credit facility to Exterran Holdings to allow it to repay a portion of its indebtedness prior to the internal

distribution. As of June 30, 2015, on a pro forma basis after giving effect to the spin-off, we would have borrowed and transferred to Exterran Holdings approximately $539.0 million. Subsequent to June 30, 2015 and prior to the completion of the spin-off, Exterran Holdings expects to incur additional borrowings under its existing credit facility of between $40 million and $50 million to finance expenses related to the completion of the spin-off and related financing transactions, which will increase the amount we borrow under our new credit facility and transfer to Exterran Holdings.

For more information on our new credit facility, please read "Capitalization" and "Description of Material Indebtedness."

Q: Are there risks to owning shares of our common stock?

A: Yes. Our business is subject both to general and specific business risks relating to its operations, business, industry and common stock. In addition, the spin-off involves specific risks, including risks relating to us being an independent, publicly traded company. Please read "Risk Factors."

Q: Does Exterran Corporation plan to pay cash dividends?

A: We do not currently anticipate paying cash dividends on our common stock. The declaration and amount of future dividends, if any, will be determined by our board of directors and will depend on our financial condition, earnings, capital requirements, financial covenants, industry practice, applicable law and other factors our board of directors deems relevant. Our ability to pay dividends on our common stock may be limited by the covenants of our credit agreement and may be further restricted by the terms of any future debt or preferred securities. See "Dividend Policy" and "Description of Material Indebtedness."

Q: Will our common stock trade on a stock market?

A: Currently, there is no public market for our common stock. We expect to list our common stock on the NYSE under the symbol "EXTN." We anticipate that limited trading in shares of our common stock will begin on a "when-issued" basis on or shortly before the record date and will continue up to and including the distribution date and that "regular-way" trading in shares of our common stock will begin on the first trading day following the distribution date. The "when-issued" trading market will be a market for shares of our common stock that will be distributed to Exterran Holdings shareholders on the distribution date. If you owned shares of Exterran Holdings common stock at the close of business on the record date, you would be entitled to shares of our common stock distributed pursuant to the spin-off. You may trade this entitlement to shares of our common stock, without the shares of Exterran Holdings common stock you own, on the "when-issued" market. We cannot predict the trading prices or volume for our common stock before, on or after the distribution date. Please read "Risk Factors—Risks Relating to Ownership of Our Common Stock."

Q: What will happen to Exterran Holdings stock options, restricted stock, restricted stock units and performance units?

A: In connection with the distribution, subject to approval by the compensation committee of the board of directors of Exterran Holdings, Exterran Holdings stock options, restricted stock, restricted stock units and performance units will generally be treated as follows:

- *Pre-2015 Awards.* Immediately prior to the distribution, each outstanding Exterran Holdings stock option, restricted stock award, restricted stock unit award and performance unit award granted prior to calendar year 2015, whether vested or unvested, will be split into two awards, consisting of an Archrock award and an Exterran Corporation award.

- *2015 Awards.* Each Exterran Holdings stock option, restricted stock award, restricted stock unit award and performance unit award that is (i) granted in calendar year 2015 and (ii) held by an individual who will be employed or engaged by Exterran Corporation or its affiliates following the distribution will be converted solely into an Exterran Corporation award. Each Exterran Holdings stock option, restricted stock award, restricted stock unit award and performance unit award that is (i) granted in calendar year 2015 and (ii) held by an individual who will be employed or engaged by Archrock or its affiliates following the distribution will be adjusted to cover Archrock shares.

- *Incentive Stock Options.* Notwithstanding the above, Exterran Holdings "incentive stock options" (within the meaning of Section 422 of the Code), whether granted during or prior to 2015, will be converted solely into options denominated in shares of common stock of the applicable holder's post-distribution employer if the holder thereof elected, prior to the spin-off, to preserve the tax treatment of their Exterran Holdings incentive stock options. Exterran Holdings incentive stock options held by an individual who does not elect, prior to the spin-off, to preserve the tax treatment of his or her Exterran Holdings incentive stock options will be adjusted as otherwise described herein—that is, each such option will either be split into two awards, consisting of an Archrock option and an Exterran Corporation option, or converted solely into an option denominated in shares of common stock of the applicable holder's post-distribution employer, depending on whether the option was granted prior to or during calendar year 2015.

- *Awards Held by Non-Continuing Service Providers.* In addition, notwithstanding the foregoing, each Exterran Holdings stock option held by an individual who will not be employed or engaged with either Archrock or Exterran Corporation (or their respective affiliates) following the distribution will be adjusted solely into an Archrock option covering Archrock shares.

- *General Terms.* Equity awards that are adjusted as described above will generally be subject to the same vesting, expiration, performance conditions and other terms and conditions as applied to the underlying Archrock awards immediately prior to the distribution.

Q: What will be the relationship between Archrock and Exterran Corporation following the spin-off?

A: After the spin-off, Archrock will not own any shares of our common stock. We and Archrock will each be an independent, publicly traded company with its own board of directors and management team. In connection with the spin-off, we are entering into a number of agreements with Archrock that will govern the spin-off and allocate responsibilities for obligations arising before and after the spin-off, including, among others, obligations relating to our employees and taxes. For example, we expect that the separation and distribution agreement we will enter into with Archrock will contain certain noncompetition provisions addressing restrictions for a limited period of time after the spin-off on our ability to provide contract operations services in the United States and on Archrock's ability to provide contract operations services outside of the United States and product sales to customers worldwide, subject to certain exceptions. In addition, we expect to enter into a supply agreement and related storage agreements with Archrock and Archrock Partners on arm's length terms that, among other things, will set forth the terms under which we will provide Archrock and Archrock Partners with fabricated equipment. We also expect to enter into services agreements with Archrock on arm's length terms that will set forth the terms under which the parties will provide each other with installation, start-up, commissioning and other services. Please read "Relationship with Archrock After the Spin-Off."

Q: Will I have appraisal rights in connection with the spin-off?

A: No. Holders of shares of Exterran Holdings common stock are not entitled to appraisal rights in connection with the spin-off.

Q: Who is the transfer agent for your common stock?

A: American Stock Transfer & Trust Co., LLC
Operations Center
6201 15th Avenue
Brooklyn, New York 11219
www.amstock.com

Q: Who is the distribution agent for the spin-off?

A: American Stock Transfer & Trust Co., LLC
Operations Center
6201 15th Avenue
Brooklyn, New York 11219
www.amstock.com

Q: Whom can I contact for more information?

A: If you have questions relating to the mechanics of the distribution of shares of our common stock, you should contact the distribution agent.

Before the spin-off, if you have questions relating to the spin-off, you should contact Exterran Holdings' Senior Vice President, General Counsel and Secretary at:

Exterran Holdings, Inc.
16666 Northchase Drive
Houston, Texas 77060
Attention: Donald Wayne, Senior Vice President, General Counsel and Secretary
Telephone: (281) 836-7000

SUMMARY

The following is a summary of some of the information contained in this information statement. It does not contain all the details concerning us or the spin-off, including information that may be important to you. We urge you to read this entire document carefully, including the risk factors, our historical and pro forma financial statements and the notes to those financial statements.

References in this document to our historical assets, liabilities, business or activities generally refer to the historical assets, liabilities, business or activities of our business as it was conducted as part of Exterran Holdings and its subsidiaries before giving effect to the spin-off. Our historical financial results contained in this information statement may not be indicative of our financial results in the future as an independent company or reflect what our financial results would have been had we been an independent company during the periods presented. Except as otherwise indicated or unless the context otherwise requires, the information included in this information statement assumes the completion of the spin-off.

Our Company

We are currently a wholly owned subsidiary of Exterran Holdings, Inc. In connection with the spin-off, Exterran Holdings, Inc. will change its name to "Archrock, Inc." Following the completion of our spin-off from Exterran Holdings, we will be an independent, publicly traded company operating under the name "Exterran Corporation," and we will own the assets and liabilities associated with Exterran Holdings' international services and global fabrication businesses. We refer to the global fabrication business currently operated by Exterran Holdings as our product sales business. Archrock will not retain any ownership interest in us or our business.

We are a market leader in the provision of compression, production and processing products and services that support the production and transportation of oil and natural gas throughout the world. We provide these products and services to a global customer base consisting of companies engaged in all aspects of the oil and natural gas industry, including large integrated oil and natural gas companies, national oil and natural gas companies, independent oil and natural gas producers and oil and natural gas processors, gatherers and pipeline operators. We report our results of operations in the following three reporting business segments: contract operations, aftermarket services and product sales.

In our contract operations business, which accounted for 23% of our revenue and 52% of our gross margin in 2014, we own and operate natural gas compression equipment and crude oil and natural gas production and processing equipment on behalf of our customers outside of the United States. These services can include engineering, design, procurement, on-site construction and operation of natural gas compression and crude oil or natural gas production and processing facilities for our customers. Our contract operations business is underpinned by long-term commercial contracts with large customers, including several national oil and natural gas companies, which we believe provides us with relatively stable cash flows due to our exposure to the production phase of oil and gas development, compared to drilling and completion related energy service and product providers. We believe our contract operations services generally allow our customers that outsource their compression or production and processing needs to achieve higher production rates than they would achieve with their own operations, resulting in increased revenue for our customers. In addition, outsourcing allows our customers flexibility for their compression and production and processing needs while limiting their capital requirements. These contracts generally involve initial terms ranging from three to five years, and in some cases in excess of 10 years. In many instances, we are able to renew those contracts prior to the expiration of the initial term; in some cases, we may sell the underlying assets to our customers pursuant to purchase options.

In our aftermarket services business, which accounted for 7% of our revenue and 7% of our gross margin in 2014, we provide operations, maintenance, overhaul and reconfiguration services outside of the United States to support our customers who own their own compression, production, processing, treating and related equipment. Our services range from routine maintenance services and parts sales to the full operation and maintenance of customer-owned assets. We both seek to couple aftermarket

services with our product sales business to provide ongoing services to customers who buy equipment from us and to sell those services to customers who have bough equipment from other companies.

In our product sales business, which accounted for approximately 70% of our revenue and 41% of our gross margin in 2014, we design, engineer, manufacture, install and sell natural gas compression packages, as well as equipment used in the production, treating and processing of crude oil and natural gas to customers both i the United States and internationally. We also design, engineer, manufacture and install this equipment for use in our contract operations business. In addition, we combine our products into an integrated solution that we design, engineer, procure and, in certain cases, construct on-site for sale to our customers. We believe the expansive range of products we sell through our global platform enables us to take advantage of the ongoing, worldwide energy infrastructure build-out.

Competitive Strengths

We believe the following key competitive strengths will allow us to create shareholder value:

Global platform and expansive service and product offerings poised to capitalize on the global energy infrastructure build-out. Despite the recent decline in oil and natural gas prices and the impact on demand for our services and products, we expect that global oil and natural gas infrastructure will continue to be built out and provide us with opportunities for growth as we believe our global customer base will continue to invest in infrastructure projects based on longer-term fundamentals that are less tied to near-term commodity prices. We believe our size, geographic scope and broad customer base provide us with a unique advantage in meeting our customers' needs, particularly with regard to large-scale project construction and development which will allow us to capture those growth opportunities. We provide our customers a broad variety of products and services in approximately 30 countries worldwide, including outsourced compression, production and processing services, as well as the sale of a large portfolio of natural gas compression and oil and natural gas production and processing equipment and installation services. We believe our contract operations services generally allow our customers that outsource their compression or production and processing needs to achieve higher production rates than they would achieve with their own operations, resulting in increased revenue for our customers. In addition, outsourcing allows our customers flexibility for their compression and production and processing needs while limiting their capital requirements. By offering a broad range of services and products that leverage our core strengths, we believe we provide unique integrated solutions that meet our customers' needs. We believe the breadth and quality of our products and services, the depth of our customer relationships and our presence in many major oil and natural gas-producing regions place us in a position to capture additional business on a global basis.

High-quality products and services. We have built a network of high-quality energy infrastructure assets that are strategically deployed across our global platform. Through our history of operating a wide variety of products in many energy-producing markets around the world, we have developed the technical expertise and experience required to understand the needs of our customers and meet those needs through a range of products and services. These products and services include both highly customized compression, production and processing solutions as well as standard products based on our expertise, in support of a range of projects, from those requiring quick completion to those that may take several years to fully develop. Additionally, this experience has allowed us to develop efficient systems and processes and a skilled workforce that allow us to provide high-quality services throughout international markets. We utilize this technical expertise and long history o developing and operating projects for our customers to continually improve our products and services, which enables us to provide our customers with high-quality, comprehensive oil and natural gas infrastructure support worldwide.

Complementary businesses enable us to offer customers integrated infrastructure solutions. We aim to provide our customers with a single source to meet their energy infrastructure needs, and we believe we have the ability to serve our customers' changing needs in a variety of ways. For customers that seek

to limit capital spending on energy infrastructure projects, we offer our full operations services through our contract operations business. Alternatively, for customers that prefer to develop and acquire their own infrastructure assets, we are able to sell equipment and facilities for their operation In addition, in those cases, we can also provide operations, maintenance, overhaul and reconfiguration services following the sale through our aftermarket services business. Finally, we also provide aftermarket services to customers that own compression, production, processing and treating equipment that was not purchased from us. Because of the breadth of our products and our ability to deliver those products through our different delivery models, we believe we are able to provide the solution that is most suitable to our customers in the markets in which they operate. We believe this ability to provide our customers with a variety of products and services provides us with greater stability, as we are able to adjust the products and services we provide to reflect our customers' changing needs.

Cash flows from contract operations business supported by long-term contracts with diverse customer base. We provide contract operations services to customers located in approximately 15 countries. Within our contract operations business, we seek to enter into long-term contracts with a diverse collection of customers, including large integrated oil and natural gas companies and national energy companies. These contracts generally involve initial terms ranging from three to five years, and in some cases can be in excess of 10 years, and typically require our customers to pay our monthly service fee even during periods of limited or disrupted natural gas flows. In addition, our large, international customer base provides a diversified revenue stream, which we believe reduces customer and geographic concentration risk. Furthermore, our customer base includes several companies that are among the largest and most well-known companies within their respective regions throughout our global platform.

Experienced management team. We have an experienced and skilled management team with a long track record of driving growth through organic expansion and selective acquisitions. The members of our management team have strong relationships in the oil and gas industry and have operated through numerous commodity price cycles throughout our areas of operations. Members of our management team have spent a significant portion of their respective careers at highly regarded energy and manufacturing companies, such as Exterran Holdings, and have accumulated an average of over 25 years of industry experience.

Well-balanced capital structure with sufficient liquidity. We intend to maintain a capital structure with an appropriate amount of leverage and the financial flexibility to invest in our operations and pursue attractive growth opportunities that we believe will increase the overall earnings and cash flow generated by our business. As of June 30, 2015, on a pro forma basis after giving effect to the spin-off and related financing transactions, we would have had access to approximately $281.8 million of available borrowings under our new credit facility. In addition, as of June 30, 2015, we would have had approximately $23.0 million of cash and cash equivalents on hand on a pro forma basis.

Business Strategies

We intend to continue to capitalize on our competitive strengths to meet our customers' needs through the following key strategies:

Strategically grow our business to generate attractive returns to our shareholders. Our primary strategic focus involves the growth of our business through expanding our product and services offerings and growing our customer base, as well as targeting redevelopment opportunities in the U.S. energy market and expansions into new international markets benefiting from the global energy infrastructure build-out. Our diverse product and service portfolio allows us to readily respond to changes in industry and economic conditions. We believe our global footprint allows us to provide the prompt product availability our customers require, and we can construct projects in new locations as needed to meet customer demand. We have the ability to readily deploy our capital to construct new or supplementa projects that we build, own and operate on behalf of our customers through our contract

operations business. In addition, we seek to provide our customers with integrated infrastructure solutions by combining product and service offerings across our businesses. As an independent company, we plan to supplement our organic growth with select acquisitions in key markets to further enhance our geographic reach, product offerings and other capabilities. We believe acquisitions of this nature will allow us to generate incremental revenues from existing and new customers and obtain greater market share.

Expand customer base and deepen relationships with existing customers. We believe the uniquely broad range of services we offer, the quality of our produc and services and our diverse geographic footprint positions us well to attract new customers and cross-sell our products and services to existing customers. In additior we have a long history of providing the products and services we offer to our customers, which we couple with the technical expertise of our experienced engineering personnel to understand and meet our customers' needs, particularly as those needs develop and change over time. We intend to devote significant business development resources to market our products and services, leverage existing relationships and expedite our growth potential. We also seek to provide supplemental projects and services to our customers as their needs evolve over time. Finally, we expect to be able to offer certain of our products, including fabricated compressors, to prospective customers that are competitors of Archrock, which increases our prospective customer base and provides us with the opportunity to diversify our revenue sources.

Continue our industry-leading safety performance. Because of our emphasis on training and safety protocols for our employees, we have delivered industry-leading safety performance, which has resulted in our achieving a strong reputation for safety. We believe this safety performance and reputation helps us to attract an retain customers and employees. We have adopted rigorous processes and procedures to facilitate our compliance with safety regulations and policies. We work diligently to meet or exceed applicable safety regulations, and we intend to continue to focus on our safety monitoring function as our business grows and operating conditions change.

Continue to optimize our global platform, products and services and enhance our profitability. We regularly review and evaluate the quality of our operation products and services. This process includes customer review programs to assess the quality of our performance. In addition, we intend to use our global platform to reach a wide variety of customers, which we believe can enable us to achieve cost savings in our operations. We believe our ongoing focus on improving the quality c our operations, products and services results in greater satisfaction among our customers, which we believe results in greater profitability and value for our shareholders.

The Spin-Off and Our Relationship with Archrock After the Spin-Off

The Spin-Off

The board of directors of Exterran Holdings regularly reviews the various operations conducted by Exterran Holdings to ensure that resources are deployed and activities are pursued in the best interest of its shareholders. On November 17, 2014, Exterran Holdings announced that its board of directors had approved in principl a plan involving the pro rata distribution of all of our shares of common stock to Exterran Holdings' shareholders in a distribution intended to be tax-free to us and such shareholders for U.S. federal income tax purposes (other than with respect to any cash received in lieu of fractional shares). The spin-off is subject to, among other things, final approval by the Exterran Holdings board of directors and the conditions described below under "The Spin-Off—Spin-Off Conditions and Termination." We expect to complete the spin-off on or about , 2015. However, we cannot assure you that the spin-off will be completed on the anticipated timeline, or at all, or that the terms of the spin-off will not change.

We are currently a wholly owned subsidiary of Exterran Holdings. In connection with the spin-off, Exterran Holdings will change its name to "Archrock, Inc." Following the completion of the spin-off,

we expect to own the assets and to be obligated on the liabilities comprising Exterran Holdings' international services and global fabrication businesses.

On or before the distribution date, we and Archrock will enter into agreements to define various post-spin-off relationships between Archrock and us in various contexts. For example, we expect that the separation and distribution agreement we will enter into with Archrock will contain certain noncompetition provisions addressing restrictions for a limited period of time after the spin-off on our ability to provide contract operations services in the United States and on Archrock's abilit to provide contract operations services outside of the United States and product sales to customers worldwide, subject to certain exceptions. In addition, we will enter into the transition services agreement with Archrock under which the parties will provide one another with certain transition services on an interim basis. We and Archrock will also enter into a tax matters agreement that will govern the respective rights, responsibilities and obligations of Archrock and us after the spin-off with respect to taxes, tax attributes, the preparation and filing of tax returns, the control of tax audits and other tax proceedings and assistance and cooperation in respect of tax matters. The tax matters agreement will contain certain restrictions on our ability to take, or fail to take, actions that could cause the distribution to fail to qualify a tax-free. Moreover, we expect to enter into a supply agreement and related storage agreements with Archrock and Archrock Partners on arm's length terms that, amon other things, will set forth the terms under which we will provide Archrock and Archrock Partners with fabricated equipment. We also expect to enter into service agreements with Archrock on arm's length terms that will set forth the terms under which the parties will provide each other with installation, start-up, commissioning and other services. See "Risk Factors—Risks Relating to the Spin-Off." For more information regarding these agreements, see "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us" and the historical and pro forma financial statements and the notes thereto included elsewhere in this information statement.

Recent Developments

On July 10, 2015, Exterran Corporation and EESLP entered into a $750.0 million revolving credit facility. On October 5, 2015, Exterran Corporation and EESLI amended and restated the terms of the $750.0 million credit agreement to provide for a new $680.0 million revolving credit facility and a new $245.0 million term loa facility (collectively, the "new credit facility"). Upon the availability of the new credit facility, Exterran Corporation will guarantee EESLP's obligations under the nev credit facility. As of June 30, 2015, on a pro forma basis after giving effect to the spin-off, we would have had approximately $281.8 million in available borrowing capacity under the new credit facility. In connection with the spin-off, we intend to transfer borrowings under the new credit facility to Exterran Holdings to allow it t repay a portion of its indebtedness.

As of June 30, 2015, Exterran Holdings and its subsidiaries (other than Exterran Partners and its subsidiaries) had approximately $707 million of debt outstanding, including approximately $357 million of outstanding borrowings under Exterran Holdings' existing credit facility.

We intend to transfer the net proceeds from the borrowings under the new credit facility to Exterran Holdings to allow it to repay a portion of its indebtedness in connection with the spin-off. As of June 30, 2015, on a pro forma basis after giving effect to the spin-off, we would have borrowed and transferred to Exterran Holdings approximately $539.0 million. Subsequent to June 30, 2015 and prior to the completion of the spin-off, Exterran Holdings expects to incur additional borrowings under its existing credit facility of between $40 million and $50 million to finance expenses related to the completion of the spin-off and related financing transactions, which will increase the amount we borrow under our new credit facility and transfer to Exterran Holdings.

For more information about our new credit facility, please read "Description of Material Indebtedness."

Risk Factors

Our business is subject to a number of risks, including risks related to the spin-off. The following list of risk factors is not exhaustive. Please read "Risk Factors" carefully for a more thorough description of these and other risks.

Risks Relating to Our Business

- Continued low oil and natural gas prices could continue to depress or further decrease demand or pricing for our natural gas compression and oil and natural gas production and processing equipment and services and, as a result, adversely affect our business.
- The erosion of the financial condition of our customers could adversely affect our business.
- Failure to timely and cost-effectively execute on larger projects could adversely affect our business.
- We may incur losses on fixed-price contracts, which constitute a significant portion of our product sales business.
- There are many risks associated with conducting operations in international markets, including our largest international markets for contract operation which include Mexico, Brazil and Argentina.
- We are due to receive a substantial amount in installment payments from the purchaser of our previously nationalized Venezuelan assets, the nonpayment of which would render us unable to contribute amounts corresponding to those funds to Archrock or its subsidiaries.
- We are exposed to exchange rate fluctuations in the international markets in which we operate. A decrease in the value of any of these currencies relative to the U.S. dollar could reduce profits from international operations and the value of our international net assets.
- We will have a substantial amount of debt that could limit our ability to fund future growth and operations and increase our exposure to risk during adverse economic conditions.
- If we are unable to refinance our term loan when due on acceptable terms, we may experience a material adverse effect on our liquidity and financial condition.
- Covenants in our credit agreement may impair our ability to operate our business.
- We may be vulnerable to interest rate increases due to our floating rate debt obligations.
- The termination of or any price reductions under certain of our contract operations services contracts could have a material impact on our business.
- Following the spin-off, we may face challenges as a result of being a smaller, less diversified company than we were as part of Exterran Holdings prio to the spin-off.
- We could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act, or FCPA, similar worldwide anti-bribery laws and trade contro laws. If we are found to have violated the FCPA or other legal requirements, we may be subject to criminal and civil penalties and other remedial measures, which could materially harm our reputation, business, results of operations, financial condition and liquidity.

Risks Relating to the Spin-Off

- We may not realize some or all of the benefits we expect to achieve from our separation from Exterran Holdings.
- The combined value of Archrock and Exterran Corporation shares after the spin-off may not equal or exceed the value of Exterran Holdings shares prior to the spin-off.
- A large number of our shares are or will be eligible for future sale, which may cause the market price for our common stock to decline.

- Our historical combined and pro forma financial information may not be representative of the results we would have achieved as a stand-alone public company and may not be a reliable indicator of our future results.
- Our costs will increase as a result of operating as a public company, and our management will be required to devote substantial time to complying with public company regulations.
- Our accounting and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements t which we will be subject following the spin-off and may strain our resources.
- Following the spin-off, we and Archrock will be subject to certain noncompetition restrictions, which may limit our ability to grow our business.
- Following the spin-off, we and Archrock will provide each other with certain services under the transition services agreement that may require us to divert resources from our business, which in turn may negatively impact our business, financial condition and results of operations.
- Following the spin-off, we will provide Archrock and Archrock Partners with certain fabricated products, including compressors, and we will depend on Archrock and Archrock Partners for a significant amount of our product sales revenues.
- Several members of our board and management may have conflicts of interest because of their ownership of shares of common stock of or other equity interests in Exterran Holdings.
- We will be subject to continuing contingent tax liabilities of Exterran Holdings following the spin-off.
- The tax treatment of the distribution is subject to uncertainty. If the distribution does not qualify as a transaction that is tax-free for U.S. federal income tax purposes, we, Archrock and our shareholders could be subject to significant tax liability and, in certain circumstances, we could be required to indemnify Archrock for material taxes pursuant to indemnification obligations under the tax matters agreement.

Risks Relating to Ownership of Our Common Stock

- No market currently exists for our common stock. We cannot assure you that an active trading market will develop for our common stock.
- The market price and trading volume of our common stock may be volatile and you may not be able to resell your shares at or above the initial market price of our common stock following the spin-off.

Corporate Information

The address of our principal executive offices is 4444 Brittmoore Road, Houston, Texas 77041. Our main telephone number is (281) 854-3000. Effective upon th completion of the spin-off, our website address will be www.exterran.com. Information contained on our website is not incorporated by reference into this information statement or the registration statement on Form 10 of which this information statement is a part, and you should not consider information on our website as part of thi information statement or such registration statement on Form 10.

Summary of the Spin-Off

The following is a brief summary of the terms of the spin-off. Please see "The Spin-Off" for a more detailed description of the matters described below.

Distributing company	Exterran Holdings, which is our parent company. After the spin-off, Archrock will not retain any shares o our common stock.
Distributed company	Exterran Corporation, which is currently a wholly owned subsidiary of Exterran Holdings. After the spin-off, we will be an independent, publicly traded company.
Distribution ratio	Each holder of Exterran Holdings common stock will receive one share of our common stock for every two shares of Exterran Holdings common stock held on the record date. Approximately 34.7 million shares of our common stock will be distributed in the spin-off, based upon the number of shares of Exterran Holdings common stock outstanding on June 30, 2015 and that we expect will remain outstanding on , 2015, the record date for the spin-off. The shares of our common stock to be distributed by Exterran Holdings will constitute all of the issued and outstanding shares of our commo stock. For more information on the shares being distributed in the spin-off, see "Description of Capital Stock."
Fractional shares	The transfer agent identified below will automatically aggregate fractional shares into whole shares and sell them on behalf of shareholders in the open market at prevailing market prices and distribute the net cash proceeds pro rata to each Exterran Holdings shareholder who otherwise would have been entitled to receive a fractional share in the spin-off. You will not be entitled to any interest on the amount of paymen made to you in lieu of a fractional share. See "The Spin-Off—Treatment of Fractional Shares."
Distribution procedures	On or about the distribution date, the distribution agent identified below will distribute the shares of our common stock to be distributed by crediting those shares to book-entry accounts established by the transfer agent for persons who were shareholders of Exterran Holdings as of 5:00 p.m., New York City time, on the record date. Shares of our common stock will be issued only in book-entry form. No paper stock certificates will be issued. You will not be required to make any payment or surrender or exchange your shares of Exterran Holdings common stock or take any other action to receive your shares of our common stock. However, as discussed below, if you sell shares of Exterran Holdings common stock in th "regular way" market between the record date and the distribution date, you will be selling your right to receive the associated shares of our common stock in the spin-off. Registered shareholders will receive additional information from the transfer agent shortly after the distribution date. Beneficial shareholders will receive information from their brokerage firms.

Distribution agent, transfer agent and registrar for our shares of common stock	American Stock Transfer & Trust Co., LLC.
Record date	5:00 p.m., New York City time, on , 2015.
Distribution date	, 2015.
Trading prior to or on the distribution date	It is anticipated that, beginning on or shortly before the record date, Exterran Holdings' shares will trade i two markets on the NYSE, a "regular way" market and an "ex-distribution" market. Investors will be able to purchase Exterran Holdings shares without the right to receive shares of our common stock in the "ex-distribution" market for Exterran Holdings common stock. Any holder of Exterran Holdings common stock who sells Exterran Holdings shares in the "regular way" market on or before the distribution date will also be selling the right to receive shares of our common stock in the spin-off. You are encouraged to consult with your broker or financial advisor regarding the specific implications of selling Exterran Holdings common stock prior to or on the distribution date.
Assets and liabilities of the distributed company	Prior to completion of the spin-off, we and Exterran Holdings will enter into a separation and distribution agreement that contains the key provisions relating to the separation of our business from Exterran Holdings and the distribution of our shares of common stock. The separation and distribution agreement identifies the assets to be transferred, liabilities to be assumed and contracts to be assigned either to us by Exterran Holdings or by us to Exterran Holdings in the spin-off and describe when and how the Transactions will occur. Please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Separation and Distribution Agreement."

Relationship with Archrock after the spin-off	On or before the distribution date, we and Archrock will enter into agreements to define various continuing relationships between Archrock and us in various contexts. In particular, we will enter into the transition services agreement with Archrock under which the parties will provide each other with certain transition services on an interim basis. We and Archrock will also enter into a tax matters agreement that will govern the respective rights, responsibilities and obligations of Archrock and us after the spin-off wit respect to taxes, tax attributes, the preparation and filing of tax returns, the control of tax audits and other tax proceedings and assistance and cooperation in respect of tax matters. The tax matters agreement will contain certain restrictions on our ability to take, or fail to take, actions that could cause the distribution to fail to qualify as tax-free. In addition, we expect to enter into a supply agreement and related storage agreements with Archrock and Archrock Partners on arm's length terms that, among other things, will set forth the terms under which we will provide Archrock and Archrock Partners with fabricated equipment. We also expect to enter into services agreements with Archrock on arm's length terms that will set forth the terms under which the parties will provide each other with installation, start-up, commissioning and other services. Please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us."
Indemnities	Under the terms of the tax matters agreement we will enter into in connection with the spin-off, we generally will be required to indemnify Archrock for all taxes attributable to our business, whether accruing before, on or after the date of the spin-off and for 50% of certain taxes imposed on Archrock or its subsidiaries that do not clearly relate to either our business or Archrock's business. We will also generally be required to indemnify Archrock for any taxes arising from the spin-off or certain related transactions that are imposed on us, Archrock or its other subsidiaries, to the extent such taxes result from certain actions or failures to act by us that occur after the effective date of the tax matters agreement, and for 50% of such taxes to the extent such taxes do not result from certain actions or failures to act by us or Archrock. Please see "The Spin-Off—Material U.S. Federal Income Tax Consequences of the Spin-Off—Tax Matters Agreement." Please see also "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Tax Matters Agreement." Under the separation and distribution agreement entered into in connection with the spin-off, we will also indemnify Archrock and its remaining subsidiaries against various claims and liabilities relating to the past operation of our business. Please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Separation and Distribution Agreement."

U.S. federal income tax consequences	Exterran Holdings expects to obtain an opinion of counsel substantially to the effect that, for U.S. federal income tax purposes, (i) the internal distribution should qualify as a reorganization under Sections 355 an 368(a)(1)(D) of the Code, and (ii) the distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, subject to certain qualifications and limitations. Accordingly, for U.S. federal income tax purposes, Exterran Holdings should not recognize any material gain or loss and you generally should recognize no gain or loss or include any amount in taxable income (other than with respect to cash received in lieu of fractional shares) as a result of the spin-off. The material U.S. federal income tax consequences of the spin-off are described in more detail under "The Spin-Off—Material U.S Federal Income Tax Consequences of the Spin-Off."
Conditions to the spin-off	We expect that the spin-off will be effective on , 2015, provided that the conditions set fortl under the caption "The Spin-Off—Spin-Off Conditions and Termination" have been satisfied in Exterran Holdings' sole and absolute discretion. However, even if all of the conditions have been satisfied, Exterra Holdings may amend, modify or abandon any and all terms of the spin-off and the related transactions at any time prior to the distribution date.
Reasons for the spin-off	Exterran Holdings' board and management team believe that there are significant expected benefits to the simplified, separate companies resulting from this transaction, including: with respect to Archrock: • a focus on growing the U.S. services businesses, including organic growth, third party acquisitions and the sale by Archrock of additional U.S. contract operations assets to Archrock Partners; • relatively stable cash flows and a focus on its fee-based natural gas contract compression business; • the opportunity for Archrock to return a high percentage of cash flow to shareholders in the form of a dividend; • a pure-play investment opportunity with significant exposure to the U.S. energy infrastructure redevelopment; • opportunities to pursue acquisitions with potentially more highly valued equity currency; • a narrowing of industry focus that may potentially provide more extensive and more specialized equity research coverage; and • the ability to be valued on a dividend yield basis, consistent with other publicly traded general partners unlocking value for shareholders.

	with respect to us: • a focus on profitable growth in strategic markets and positioning us and our shareholders to benefit fro the continued build-out of the global energy infrastructure and the redevelopment currently underway i North America; • in our international services businesses, relatively stable cash flows due to our exposure to the production phase of oil and gas development, as compared to drilling and completion related energy service and product providers; • limited capital expenditures in our product sales business; • financial flexibility to enable investment in value-creating contract operations projects; and • the opportunity to expand our potential product sales customer base to include companies in the U.S. contract compression business that have historically been Exterran Holdings' competitors. In addition, we believe the spin-off will enable us to recognize revenue and profit on sales of certain newl fabricated equipment to Archrock and Archrock Partners that for accounting purposes were previously eliminated in the course of consolidating the financial statements of Exterran Holdings. For more information, please read "The Spin-Off—Reasons for the Spin-Off."
Stock exchange listing	Currently there is no public market for our common stock. Subject to completion of the spin-off, we expect our common stock to be traded on the NYSE under the symbol "EXTN." We anticipate that limite trading in shares of our common stock will begin on a "when-issued" basis on or shortly before the record date and will continue up to and including through the distribution date and that "regular-way" trading in shares of our common stock will begin on the first trading day following the distribution date. "When-issued" trading refers to a transaction made conditionally because the security has been authorized but no yet issued. On the first trading day following the distribution of our shares of common stock in the spin-off, "when-issued" trading in respect of our common stock will end and "regular way" trading will begin. "Regular way" trading refers to trading after a security has been issued and typically involves a transactio that settles on the third full business day following the date of the transaction. We cannot predict the trading prices or volume of our common stock following the spin-off. In connection with the spin-off, Exterran Holdings, Inc. will change its name to "Archrock, Inc." Following the spin-off, Archrock common stock will remain outstanding and will trade on the NYSE under the symbol "AROC."

Dividend policy	We do not currently anticipate paying cash dividends on our common stock. The declaration and amount of future dividends, if any, will be determined by our board of directors and will depend on our financial condition, earnings, capital requirements, financial covenants, industry practice, applicable law and other factors our board of directors deems relevant. Please read "Dividend Policy."
Risk factors	You should carefully review the risks relating to our business, the spin-off and ownership of our common stock described in this information statement. Please read "Risk Factors."

SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA

The following tables present the summary historical and pro forma financial information of Exterran Holdings' historical international operations and global fabrication reporting segments and the international component of Exterran Holdings' aftermarket services reporting segment reflected in its historical financial statements discussed herein and included elsewhere in this information statement. We refer to the global fabrication reporting business currently operated by Exterran Holdings as our product sales business. The balance sheet data as of December 31, 2014 and 2013 and the statements of operations and cash flows data for each of the years ended December 31, 2014, 2013 and 2012 are derived from our audited combined financial statements included elsewhere in this information statement. The balance sheet data as of June 30, 2015 and the statements of operations and cash flows data for each of the six months ended June 30, 2015 and 2014 are derived from our unaudited combined financial statements included elsewhere in this information statement. The balance sheet data as of June 30, 2014 and December 31, 2012 are derived from our unaudited combined financial statements, which are not included in this information statement. Management believes that the unaudited combined financial statements have been prepared on the same basis as the audited combined financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the information for the periods presented. Results for the interim periods may not necessarily be indicative of results for the full year. The results from continuing operations for all periods presented exclude the results of our Venezuelan contract operations business and Canadian contract operations and aftermarket services businesses, or Canadian Operations. Those results are reflected in discontinued operations for all periods presented.

The unaudited pro forma condensed combined financial statements as of and for the six months ended June 30, 2015 and for the year ended December 31, 2014 have been derived from Exterran Holdings' financial statements and adjusted to give effect to the spin-off and the other transactions described under "Unaudited Pro Forma Condensed Combined Financial Statements." The summary historical and pro forma financial information presented below should be read in conjunction with our financial statements and accompanying notes, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Unaudited Pro Forma Condensed Combined Financial Statements" included elsewhere in this information statement. The financial information may not be indicative of our future performance and does not necessarily reflect what the financial position and results of operations would have been had we operated as a separate, stand-alone entity during the periods presented, including changes that will occur in our operations as a result of our spin-off from Exterran Holdings.

	Historical					Pro Forma	
	Years Ended December 31,			Six Months Ended June 30,		Six Months Ended June 30,	Year Ended December 31,
	2014	2013	2012	2015	2014	2015	2014
(in thousands)							
Statement of Operations Data:							
Revenues	$ 2,172,754	$ 2,415,473	$ 2,068,724	$ 1,014,691	$ 1,023,826	$ 1,042,892	$ 2,237,031
Gross margin(1)	596,869	583,516	484,606	267,219	287,701	269,475	602,011
Selling, general and administrative	267,493	264,890	269,812	114,330	134,691	114,330	267,493
Depreciation and amortization	173,803	140,029	167,499	75,581	95,157	75,581	173,803
Long-lived asset impairment(2)	3,851	11,941	5,197	10,489	—	10,489	3,851
Restructuring and other charges(2)	—	—	3,892	10,547	—	10,547	—
Interest expense	1,905	3,551	5,318	826	848	17,369	35,021
Equity in income of non-consolidated affiliates(2)	(14,553)	(19,000)	(51,483)	(10,068)	(9,602)	(10,068)	(14,553)
Other (income) expense, net	7,222	(1,966)	5,638	11,878	(4,966)	11,878	7,222
Provision for income taxes	77,833	97,367	26,226	26,802	39,641	21,802	68,042
Income from continuing operations	79,315	86,704	52,507	26,834	31,932	17,547	61,132
Income from discontinued operations, net of tax(2)	73,198	66,149	66,843	19,122	36,597	19,122	73,198
Net income	152,513	152,853	119,350	45,956	68,529	36,669	134,330
Balance Sheet Data (at period end):							
Cash and cash equivalents	$ 39,361	$ 35,194	$ 34,167	$ 23,049	$ 53,762	$ 23,049	
Working capital(3)	481,596	372,186	347,762	533,495	469,062	518,617	
Total assets	2,032,823	1,999,211	2,133,502	1,979,273	2,037,196	2,010,905	
Long-term debt(4)	1,107	1,539	—	891	1,332	552,703	
Total equity	1,451,822	1,373,904	1,407,394	1,493,038	1,466,809	972,858	
Cash Flow Data:							
Net cash flows provided by (used in):							
Operating activities	$ 150,942	$ 170,286	$ 168,433	$ 47,654	$ 32,000		
Investing activities	(63,577)	14,913	41,700	(45,600)	(16,309)		
Financing activities	(79,273)	(182,685)	(196,934)	(17,583)	6,877		
Other Financial Data:							
EBITDA, as adjusted(1)	$ 326,729	$ 324,905	$ 216,562	$ 149,010	$ 155,094	$ 151,266	$ 331,871
Capital expenditures:							
Contract Operations Equipment:							
Growth(5)	$ 97,931	$ 36,468	$ 107,658	$ 53,811	$ 41,331		
Maintenance(6)	24,377	21,591	22,530	14,586	9,507		
Other	35,546	42,136	34,602	14,274	16,129		

(1) Gross margin and EBITDA, as adjusted are non-GAAP financial measures. Gross margin and EBITDA, as adjusted are defined, reconciled to net income (loss) and discussed further under "Selected Historical Combined Financial Data—Non-GAAP Financial Measures."

(2) See notes to the Combined Financial Statements included elsewhere in this information statement for further discussion regarding these line items.

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

(4) Long-term debt for each of the periods presented represents our capital lease obligations.

(5) Growth capital expenditures are made to expand or to replace partially or fully depreciated assets or to expand the operating capacity or revenue of existing or new assets, whether through construction, acquisition or modification. The majority of our growth capital expenditures are related to the acquisition cost of new compressor units and processing and treatin equipment that we add to our fleet and installation costs on integrated projects. In addition, growth capital expenditures can also include the upgrading of major components on an existing compressor unit where the current configuration of the compressor unit is no longer in demand and the compressor unit is not likely to return to an operating status without the capital expenditures. These latter expenditures substantially modify the operating parameters of the compressor unit such that it can be used for previously unsuitable applications.

(6) Maintenance capital expenditures are made to maintain the existing operating capacity of our assets and related cash flows further extending the useful lives of the assets. Maintenance capital expenditures are related to the major overhauls of significant components of a compressor unit, such as the engine, compressor and cooler, that return the components to a "like-new" condition, but do not modify the applications for which the compressor unit was designed.

RISK FACTORS

You should carefully consider the risks and uncertainties described below in addition to the other information contained in this information statement. Some of these risks relate principally to our spin-off from Exterran Holdings, while others relate principally to our business and the industry in which we operate or to the securities markets generally and ownership of our common stock. Specifically, please see "Cautionary Statement Concerning Forward-Looking Statements" for a discussion of events that may affect our business. Our business, financial condition and results of operations could be materially adversely affected by any of these risks, and, as a result, the trading price of our common stock could materially decline.

Risks Relating to Our Business

Continued low oil and natural gas prices could continue to depress or further decrease demand or pricing for our natural gas compression and oil and natural gas production and processing equipment and services and, as a result, adversely affect our business.

Our results of operations depend upon the level of activity in the global energy market, including oil and natural gas development, production, processing and transportation. Oil and natural gas prices and the level of drilling and exploration activity can be volatile. For example, oil and natural gas exploration and development activity and the number of well completions typically decline when there is a sustained reduction in oil or natural gas prices or significant instability in energy markets. Even the perception of longer-term lower oil or natural gas prices by oil and natural gas exploration, development and production companies can result in their decision to cancel, reduce or postpone major expenditures or to reduce or shut in well production.

Global oil prices have declined recently. For example, West Texas Intermediate crude oil spot prices as of June 30, 2015 were approximately 44% lower than prices at June 30, 2014. In addition, natural gas prices in North America can be volatile. For example, the Henry Hub spot price for natural gas at June 30, 2015 was approximately 11% and 36% lower than the price at December 31, 2014 and June 30, 2014, respectively. If oil or natural gas exploration and development activities continue to decline in North America or other parts of the world, the level of production activity and the demand for our contract operations services, natural gas compression equipment and oil and natural gas production and processing equipment could continue to remain depressed or could further decrease, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. A reduction in demand for our products and services could also force us to reduce our pricing substantially, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. Moreover, a reduction in demand for our products and services could result in our customers seeking to preserve capital by canceling contracts, canceling or delaying scheduled maintenance of their existing natural gas compression and oil and natural gas production and processing equipment, determining not to enter into new contract operations service contracts or purchase new compression and oil and natural gas production and processing equipment, or canceling or delaying orders for our products and services, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows. For example, third party booking activity levels for our fabricated products in each of our North America and international markets during the three months ended June 30, 2015 have decreased by approximately 76% and 55%, respectively, compared to the three months ended December 31, 2014, and each of our North America and international markets product sales backlog as of June 30, 2015 decreased by approximately 46% and 25%, respectively, compared to December 31, 2014. In periods of volatile commodity prices, the timing of any change in activity levels by our customers is difficult to predict. As a result, our ability to project the anticipated activity level for our business, and particularly our product sales segment, in the second half of 2015 and beyond is limited. If these reduced booking levels persist for a sustained

period, we could experience a material adverse effect on our business, financial condition, results of operations and cash flows.

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

Many of our customers finance their exploration and development activities through cash flow from operations, the incurrence of debt or the issuance of equity. During times when the oil or natural gas markets weaken, our customers are more likely to experience a downturn in their financial condition. A reduction in borrowing bases under reserve-based credit facilities, the lack of availability of debt or equity financing or other factors that negatively impact our customers' financial condition could result in our customers seeking to preserve capital by reducing prices under or cancelling contracts with us, determining not to renew contracts with us, cancelling or delaying scheduled maintenance of their existing natural gas compression and oil and natural gas production and processing equipment, determining not to enter into contract operations agreements or not to purchase new compression and oil and natural gas production and processing equipment, or determining to cancel or delay orders for our products and services. Any such action by our customers would reduce demand for our products and services. Reduced demand for our products and services could adversely affect our business, financial condition, results of operations and cash flows, which may, in turn, reduce any dividends we may pay to our shareholders. In addition, in the event of the financial failure of a customer, we could experience a loss on all or a portion of our outstanding accounts receivable associated with that customer.

Failure to timely and cost-effectively execute on larger projects could adversely affect our business.

Our international projects typically have a relatively larger size and scope than the majority of Exterran Holdings' projects in the United States, which can translate into more technically challenging conditions or performance specifications for our products and services. Contracts with our customers for these projects typically specify delivery dates, performance criteria and penalties for our failure to perform. Any failure to execute such larger projects in a timely and cost effective manner could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may incur losses on fixed-price contracts, which constitute a significant portion of our product sales business.

In connection with projects and services performed under fixed-price contracts, we generally bear the risk of cost over-runs, operating cost inflation, labor availability and productivity, and supplier and subcontractor pricing and performance, unless additional costs result from customer-requested change orders. Under both our fixed-price contracts and our cost-reimbursable contracts, we may rely on third parties for many support services, and we could be subject to liability for their failures. For example, we have experienced losses on certain large fabrication or manufacturing projects that have negatively impacted our product sales results. Any failure to accurately estimate our costs and the time required for a fixed-price fabrication or manufacturing project at the time we enter into a contract could have a material adverse effect on our business, financial condition, results of operations and cash flows.

There are many risks associated with conducting operations in international markets.

Following the spin-off, our contract operations and aftermarket services businesses, and a portion of our product sales business, will be conducted in countries outside the United States. We operate in many countries. The countries with our largest contract operations businesses include Mexico, Brazil and Argentina. We are exposed to risks inherent in doing business in each of the countries where we operate. Our operations are subject to various risks unique to each country that could have a material adverse effect on our business, financial condition, results of operations and cash flows. For example, in

2009 Petroleos de Venezuela S.A., or PDVSA, the Venezuelan state-owned oil company, assumed control over substantially all of our assets and operations in Venezuela.

In April 2012, Argentina assumed control over its largest oil and gas producer, Yacimientos Petroliferos Fiscales, or YPF. We had approximately 523,000 horsepower of compression in Argentina as of December 31, 2014, and we generated $172.5 million of revenue in Argentina, including $78.5 million of revenue from YPF, during the year ended December 31, 2014. As of June 30, 2015 and December 31, 2014, $4.4 million and $16.0 million, respectively, of our cash was in Argentina. As is not uncommon during periods of low commodity prices, we have recently been requested to provide modest pricing reductions to YPF for certain of our services and reached a mutually acceptable agreement. This request for pricing reductions was unrelated to the nationalization of YPF, which has not had a direct impact on our business to date. We are unable to predict what further effect, if any, the nationalization of YPF will have on our business in Argentina going forward, or whether Argentina will nationalize additional businesses in the oil and gas industry; however, the nationalization of YPF, the nationalization of additional businesses or the taking of other actions listed below by Argentina could have a material adverse effect on our business, financial condition, results of operations and cash flows.

More generally in Argentina, the ongoing social, political, economic and legal climate has given rise to significant uncertainties about the country's economic and political future. Since the presidential election in late 2011, the Argentine government has increasingly used foreign-exchange, price, trade and capital controls to attempt to address the country's economic challenges. Argentina's current regulations restrict foreign exchange, including exchanging Argentine pesos for U.S. dollars in certain cases, and we are unable to freely repatriate cash from Argentina. Therefore, the cash flow from our operations in Argentina may not be a reliable source of funding for our operations outside of Argentina, which could limit our ability to grow. Restrictions on our ability to exchange Argentine pesos for U.S. dollars subject us to risk of currency devaluation on future earnings in Argentina. During the six months ended June 30, 2015 and the year ended December 31, 2014, we used Argentine pesos to purchase certain short-term investments in Argentine government issued U.S. dollar denominated bonds. The effective peso to U.S. dollar exchange rate embedded in the purchase price of $15.3 million and $24.3 million of bonds purchased during the six months ended June 30, 2015 and the year ended December 31, 2014, respectively, resulted in our recognition of a loss of $3.9 million and $6.5 million, respectively, which is included in other (income) expense, net, in our combined statements of operations.

In addition, the Argentine government may adopt additional regulations or policies in the future that may impact, among other things, (i) the timing of and our ability to repatriate cash from Argentina to the U.S. and other jurisdictions, (ii) the value of our assets and business in Argentina and (iii) our ability to import into Argentina the materials necessary for our operations. Any such changes could have a material adverse effect on our operations in Argentina and may negatively impact our business, results of operations, financial condition and cash flows.

We generate a significant portion of our revenue in Mexico from Petroleos Mexicanos, or Pemex. Pemex is a decentralized public entity of the Mexican government, and, therefore, the Mexican government controls Pemex, as well as its annual budget, which is approved by the Mexican Congress. The Mexican government may cut spending in the future. These cuts could adversely affect Pemex's annual budget and its ability to engage us in the future or compensate us for our services. Recently, the Mexican government implemented an energy industry reform that will allow the government to grant non-Mexican companies the opportunity to enter into contracts and licenses to explore and drill for oil and natural gas in Mexico. Any impact from this reform on our business in Mexico is uncertain.

Also, during the past several years, incidents of security disruptions in many regions of Mexico have increased, including drug-related gang activity. Certain incidents of violence have occurred in

regions we serve and have resulted in the temporary disruption of our operations. These disruptions could continue or increase in the future. To the extent that such security disruptions continue or increase, our operations will continue to be affected, and the levels of revenue and operating cash flow from our Mexican operations could be reduced.

We generate a significant portion of our revenue in Brazil from Petroleos Brasileiro, or Petrobras, a government-controlled energy company. Recently, a significant number of senior executives at Petrobras have resigned their positions in connection with a widely publicized corruption investigation. In addition, Petrobras recently announced further reductions to its long-term capital expenditures budget. We expect these developments to disrupt Petrobras' operations in the near term, which could in turn adversely affect our business and results of operations in Brazil.

With respect to any particular country in which we operate, the risks inherent in our activities may include the following, the occurrence of any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows:

- difficulties in managing international operations, including our ability to timely and cost effectively execute projects;
- unexpected changes in regulatory requirements, laws or policies by foreign agencies or governments;
- work stoppages;
- training and retaining qualified personnel in international markets;
- the burden of complying with multiple and potentially conflicting laws and regulations;
- tariffs and other trade barriers;
- actions by governments or national oil companies that result in the nullification or renegotiation on less than favorable terms of existing contracts, or otherwise result in the deprivation of contractual rights, and other difficulties in enforcing contractual obligations;
- governmental actions that: result in restricting the movement of property or that impede our ability to import or export parts or equipment; require a certain percentage of equipment to contain local or domestic content; or require certain local or domestic ownership, control or employee ratios in order to do business in or obtain special incentives or treatment in certain jurisdictions;
- foreign currency exchange rate risks, including the risk of currency devaluations by foreign governments;
- difficulty in collecting international accounts receivable;
- potentially longer receipt of payment cycles;
- changes in political and economic conditions in the countries in which we operate, including general political unrest, the nationalization of energy related assets, civil uprisings, riots, kidnappings, violence associated with drug cartels and terrorist acts;
- potentially adverse tax consequences or tax law changes;
- currency controls or restrictions on repatriation of earnings;
- expropriation, confiscation or nationalization of property without fair compensation;
- the risk that our international customers may have reduced access to credit because of higher interest rates, reduced bank lending or a deterioration in our customers' or their lenders' financial condition;

- complications associated with installing, operating and repairing equipment in remote locations;
- limitations on insurance coverage;
- inflation;
- the geographic, time zone, language and cultural differences among personnel in different areas of the world; and
- difficulties in establishing new international offices and the risks inherent in establishing new relationships in foreign countries.

In addition, we may expand our business in international markets where we have not previously conducted business. The risks inherent in establishing new business ventures, especially in international markets where local customs, laws and business procedures present special challenges, may affect our ability to be successful in these ventures or avoid losses that could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are due to receive a substantial amount in installment payments from the purchaser of our previously nationalized Venezuelan assets, the nonpayment of which would render us unable to contribute amounts corresponding to those funds to Archrock or its subsidiaries.

In March 2012 and August 2012, we sold our previously nationalized Venezuelan joint venture assets and Venezuelan subsidiary assets, respectively, to PDVSA Gas, S.A., or PDVSA Gas, a subsidiary of PDVSA, for aggregate consideration of approximately $550 million. As of September 30, 2015, we have received payments, including annual charges, of approximately $474 million ($50 million of which was used to repay insurance proceeds previously collected under the policy we maintained for the risk of expropriation) and are due to receive the remaining principal amount as of September 30, 2015 of approximately $96 million in installments through the third quarter of 2016. As these remaining proceeds are received, we intend to contribute an amount equal to such proceeds to Archrock or its subsidiaries pursuant to the terms of the separation and distribution agreement until Archrock and its subsidiaries have received an aggregate amount of such contributions equal to the lesser of (x) $150.0 million, less the aggregate amount of installment payments received from PDVSA Gas by Exterran Holdings and its subsidiaries after August 31, 2015 but before the completion of the spin-off, plus the aggregate amount of all reimbursable expenses incurred by Archrock and its subsidiaries in connection with recovering any default installment payments directly from PDVSA Gas following the completion of the spin-off or (y) $150.0 million. Please read "Relationship with Archrock After the Spin-off—Separation and Distribution Agreement."

PDVSA's payments to many of its suppliers and partners are currently significantly in arrears, and PDVSA's payments to us have been in arrears from time to time in the past. The ongoing social, political, economic and legal climate has given rise to significant uncertainties about the country's economic and political stability. Since the presidential election in the first half of 2013, the Venezuelan government has increasingly used foreign-exchange, price and capital controls to attempt to address the country's economic challenges. If current political unrest were to develop into a prolonged period of governmental or economic instability, or if PDVSA becomes increasingly unable to pay its suppliers and partners due to the detrimental effect of recent commodity price declines on Venezuela's economy or for other reasons, our ability to recover in full the remaining proceeds from PDVSA Gas could be adversely impacted.

We are exposed to exchange rate fluctuations in the international markets in which we operate. A decrease in the value of any of these currencies relative to the U.S. dollar could reduce profits from international operations and the value of our international net assets.

We operate in many international countries. We anticipate that there will be instances in which costs and revenues will not be exactly matched with respect to currency denomination. We generally do not hedge exchange rate exposures, which exposes us to the risk of exchange rate losses. Gains and losses from the remeasurement of assets and liabilities that are receivable or payable in currency other than our subsidiaries' functional currency are included in our combined statements of operations. In addition, currency fluctuations cause the U.S. dollar value of our international results of operations and net assets to vary with exchange rate fluctuations. This could have a negative impact on our business, financial condition or results of operations. In addition, fluctuations in currencies relative to currencies in which the earnings are generated may make it more difficult to perform period-to-period comparisons of our reported results of operations. Our material exchange rate exposure relates to intercompany loans denominated in U.S. dollars to subsidiaries whose functional currencies are the Brazilian Real and the Euro, which loans carried balances of $84.0 million and $31.9 million U.S. dollars, respectively, as of June 30, 2015. In addition, Argentina's current regulations restrict foreign exchange, including exchanging Argentine pesos for U.S. dollars in certain cases. Restrictions on our ability to exchange Argentine pesos for U.S. dollars subject us to risk of currency devaluation on future earnings in Argentina. As of June 30, 2015, $4.4 million of our cash was in Argentina. As we expand geographically, we may experience economic loss and a negative impact on earnings or net assets solely as a result of foreign currency exchange rate fluctuations. Further, the markets in which we operate could restrict the removal or conversion of the local or foreign currency, resulting in our inability to hedge against these risks.

We will have a substantial amount of debt that could limit our ability to fund future growth and operations and increase our exposure to risk during adverse economic conditions.

As of June 30, 2015, on a pro forma basis after giving effect to the spin-off, we would have had approximately $552.7 million in outstanding debt obligations, including outstanding borrowings under the new credit facility. Many factors, including factors beyond our control, may affect our ability to make payments on our outstanding indebtedness. These factors include those discussed elsewhere in these Risk Factors and those listed under "Cautionary Statement Concerning Forward-Looking Statements."

As of June 30, 2015, Exterran Holdings and its subsidiaries (other than Exterran Partners and its subsidiaries) had approximately $707 million of debt outstanding, including approximately $357 million of outstanding borrowings under its existing credit facility. Subsequent to June 30, 2015 and prior to the completion of the spin-off, Exterran Holdings expects to incur additional borrowings under its existing credit facility of between $40 million and $50 million to finance expenses related to the completion of the spin-off and related financing transactions, which will increase the amount we borrow under our new credit facility and transfer to Exterran Holdings.

Our substantial debt and associated commitments could have important adverse consequences. For example, these commitments could:

- make it more difficult for us to satisfy our contractual obligations;
- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to fund future working capital, capital expenditures, acquisitions or other corporate requirements;

- increase our vulnerability to interest rate fluctuations because the interest payments on a portion of our debt will be based upon variable interest rates and a portion will adjust based upon our credit statistics;
- limit our flexibility in planning for, or reacting to, changes in our business and our industry;
- limit our ability to pay dividends to our shareholders;
- place us at a disadvantage compared to our competitors that have less debt or less restrictive covenants in such debt; and
- limit our ability to refinance our debt in the future or borrow additional funds.

If we are unable to refinance our term loan when due on acceptable terms, we may experience a material adverse effect on our liquidity and financial condition.

In October 2015, we entered into a new $245.0 million term loan, which will mature two years after the initial availability date, as described under "Description of Material Indebtedness." At or prior to the time the term loan matures, we will be required to refinance it by entering into one or more new facilities, which could result in higher borrowing costs, issuing equity, which would dilute our existing shareholders, or otherwise raising the funds necessary to repay the outstanding principal amount under the term loan. In the event that we refinance the term loan with the proceeds of a qualified capital raise, EESLP will contribute to a subsidiary of Archrock the right to receive, promptly following the occurrence of such qualified capital raise, a $25.0 million cash payment. No assurance can be given that we will be able to enter into new facilities or issue equity in the future on attractive terms or at all. If we are unable to obtain financing on acceptable terms, or at all, to refinance the remaining principal amount outstanding under our term loan, we would need to take other actions, including selling assets or seeking strategic investments from third parties, potentially on unfavorable terms, and deferring capital expenditures or other discretionary uses of cash. To the extent that were are unable to refinance our term loan or are required to take any such other action, we would experience a material adverse effect on our liquidity and financial condition.

Covenants in our credit agreement may impair our ability to operate our business.

The credit agreement related to the new credit facility contains various covenants with which we or certain of our subsidiaries must comply, including, but not limited to, restrictions on the use of proceeds from borrowings and limitations on our ability to incur additional indebtedness, enter into transactions with affiliates, merge or consolidate, sell assets, make certain investments and acquisitions, make loans and pay dividends and distributions. We are also subject to financial covenants under our credit agreement. If we fail to remain in compliance with these restrictions and financial covenants, we would be in default under our credit agreement. In addition, if we experience a material adverse effect on our assets, liabilities, financial condition, business or operations that, taken as a whole, impacts our ability to perform our obligations under our credit agreement, this could lead to a default under our credit agreement. A default under our credit agreement is likely to trigger cross-default provisions under certain other debt agreements we may enter into in the future, which would accelerate our obligation to repay our indebtedness under those agreements. If the repayment obligations on any of our indebtedness were to be accelerated, we may not be able to repay the debt or refinance the debt on acceptable terms, and our financial position would be materially adversely affected.

We may be vulnerable to interest rate increases due to our floating rate debt obligations.

As of June 30, 2015, on a pro forma basis after giving effect to the completion of the spin-off, we would have had $551.8 million of outstanding indebtedness that is effectively subject to floating interest rates. Changes in economic conditions outside of our control could result in higher interest rates,

thereby increasing our interest expense and reducing the funds available for capital investment, operations or other purposes. A 1% increase in the effective interest rate on our expected outstanding debt subject to floating interest rates at the time of the spin-off would result in an annual increase in our interest expense of approximately $5.5 million.

The termination of or any price reductions under certain of our contract operations services contracts could have a material impact on our business.

The termination of or a demand by our customer to reduce prices under certain of our contract operations services contracts may lead to a reduction in our revenues and net income, which could have a material adverse effect upon our business, financial condition, results of operations and cash flows and may reduce our ability to pay dividends to our shareholders. In addition, we may be unable to renew, or enter into new, contracts with customers on favorable commercial terms, if at all. To the extent we are unable to renew our existing contracts or enter into new contracts on terms that are favorable to us or to successfully manage our overall contract mix over time, our business, results of operations and cash flows may be adversely impacted.

From time to time, we are subject to various claims, litigation and other proceedings that could ultimately be resolved against us, requiring material future cash payments or charges, which could impair our financial condition or results of operations.

The size, nature and complexity of our business make us susceptible to various claims, both in litigation and binding arbitration proceedings. We are currently, and may in the future become, subject to various claims, which, if not resolved within amounts we have accrued, could have a material adverse effect on our financial position, results of operations or cash flows. Similarly, any claims, even if fully indemnified or insured, could negatively impact our reputation among our customers and the public, and make it more difficult for us to compete effectively or obtain adequate insurance in the future.

We depend on particular suppliers and are vulnerable to product shortages and price increases.

Some of the components used in our products are obtained from a single source or a limited group of suppliers. Our reliance on these suppliers involves several risks, including price increases, inferior component quality and a potential inability to obtain an adequate supply of required components in a timely manner. We do not have long-term contracts with some of these sources, and the partial or complete loss of certain of these sources could have a negative impact on our results of operations and could damage our customer relationships. Further, a significant increase in the price of one or more of these components could have a negative impact on our results of operations.

We face significant competitive pressures that may cause us to lose market share and harm our financial performance.

Our businesses face intense competition and have low barriers to entry. Our competitors may be able to adapt more quickly to technological changes within our industry and changes in economic and market conditions, more readily take advantage of acquisitions and other opportunities. Our ability to renew or replace existing contract operations service contracts with our customers at rates sufficient to maintain current revenue and cash flows could be adversely affected by the activities of our competitors. If our competitors substantially increase the resources they devote to the development and marketing of competitive products, equipment or services or substantially decrease the price at which they offer their products, equipment or services, we may not be able to compete effectively.

In addition, we could face significant competition from new entrants into the compression services and product sales businesses. Some of our existing competitors or new entrants may expand or develop new compression units that would create additional competition for the products, equipment or services we provide to our customers.

We also may not be able to take advantage of certain opportunities or make certain investments because of our debt levels and our other obligations. As a U.S.-domiciled company, we may also face a higher corporate tax rate than our competitors that are domiciled in other jurisdictions. Any of these competitive pressures could have a material adverse effect on our business, financial condition and results of operations.

Following the spin-off, we may face challenges as a result of being a smaller, less diversified business than we were as part of Exterran Holdings prior to the spin-off.

Following the spin-off, we will own the assets and liabilities associated with Exterran Holdings' international services and global fabrication businesses. Because our business represents a subset of Exterran Holdings' business immediately prior to the spin-off, we will have access to a smaller pool of assets, fewer personnel, less geographic diversity and less operational diversity, among other challenges, than we did as a part of Exterran Holdings. As a result, we may be unable to attract or retain customers that prefer to contract with more diversified companies that are able to operate on a larger scale than us. Our inability to attract or retain such customers may negatively impact our business and cause our financial condition and results of operations to suffer. In addition, as a smaller and less diversified business we may be more adversely impacted by changes in our business than we would have been had we remained a part of Exterran Holdings.

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

Our operations entail inherent risks, including equipment defects, malfunctions and failures and natural disasters, which could result in uncontrollable flows of natural gas or well fluids, fires and explosions. These risks may expose us, as an equipment operator and developer, to liability for personal injury, wrongful death, property damage, pollution and other environmental damage. The insurance we carry against many of these risks may not be adequate to cover our claims or losses. In addition, we are substantially self-insured for workers' compensation, employer's liability, property, auto liability, general liability and employee group health claims in view of the relatively high per-incident deductibles we absorb under our insurance arrangements for these risks. Further, insurance covering the risks we expect to face or in the amounts we desire may not be available in the future or, if available, the premiums may not be commercially justifiable. If we were to incur substantial liability and such damages were not covered by insurance or were in excess of policy limits, or if we were to incur liability at a time when we are not able to obtain liability insurance, our business, financial condition and results of operations could be negatively impacted.

Cyber-attacks or terrorism could affect our business.

We may be adversely affected by problems such as cyber-attacks, computer viruses or terrorism that may disrupt our operations and harm our operating results. Our industry requires the continued operation of sophisticated information technology systems and network infrastructure. Despite our implementation of security measures, our technology systems are vulnerable to disability or failures due to hacking, viruses, acts of war or terrorism and other causes. If our information technology systems were to fail and we were unable to recover in a timely way, we might be unable to fulfill critical business functions, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, our assets may be targets of terrorist activities that could disrupt our ability to service our customers. We may be required by our regulators or by the future terrorist threat environment to make investments in security that we cannot currently predict. The implementation of security guidelines and measures and maintenance of insurance, to the extent available, addressing such activities could increase costs. These types of events could materially adversely affect our business and

results of operations. In addition, these types of events could require significant management attention and resources, and could adversely affect our reputation among customers and the public.

We could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act, or FCPA, similar worldwide anti-bribery laws and trade control laws. If we are found to have violated the FCPA or other legal requirements, we may be subject to criminal and civil penalties and other remedial measures, which could materially harm our reputation, business, results of operations, financial condition and liquidity.

Our international operations require us to comply with U.S. and international laws and regulations, including those involving anti-bribery and anti-corruption. For example, the FCPA and similar laws and regulations prohibit improper payments to foreign officials for the purpose of obtaining or retaining business or gaining any business advantage.

We operate in many parts of the world that experience high levels of corruption, and our business brings us in frequent contact with foreign officials. Our compliance policies and programs mandate compliance with all applicable anti-corruption laws but may not be completely effective in ensuring our compliance. Our training and compliance program and our internal control policies and procedures may not always protect us from violations committed by our employees or agents. Actual or alleged violations of these laws could disrupt our business and cause us to incur significant legal expenses, and could result in a material adverse effect on our reputation, business, results of operations, financial condition and liquidity. If we are found to be liable for FCPA or other anti-bribery law violations due to our own acts or omissions or due to the acts or omissions of others (including our joint venture partners, agents or other third party representatives), we could suffer from severe civil and criminal penalties or other sanctions, which could materially harm our reputation, business, results of operations financial condition and liquidity. Separately, we may face competitive disadvantages if our competitors are able to secure business, licenses or other advantages by making payments or using other methods that are prohibited by U.S. and international laws and regulations.

We also are subject to other laws and regulations governing our operations, including regulations administered by the U.S. Department of Treasury's Office of Foreign Asset Control and various non-U.S. government entities, including applicable export control regulations, economic sanctions on countries and persons and customs requirements. Trade control laws are complex and constantly changing. Our compliance policies and programs increase our cost of doing business and may not work effectively to ensure our compliance with trade control laws. If we undergo an investigation of potential violations of trade control laws by U.S. or foreign authorities or if we fail to comply with these laws, we may incur significant legal expenses or be subject to criminal and civil penalties and other sanctions and remedial measures, which could have a material adverse impact on our reputation, business, results of operations, financial condition and liquidity.

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

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

U.S. federal, state and local legislative and regulatory initiatives relating to hydraulic fracturing as well as governmental reviews of such activities could result in increased costs and additional operating restrictions or delays in the completion of oil and natural gas wells, and adversely affect demand for our products and services.

Hydraulic fracturing is an important and common practice that is used to stimulate production of natural gas and/or oil, from dense subsurface rock formations. Hydraulic fracturing involves the injection of water, sand or alternative proppant and chemicals under pressure into target geological formations to fracture the surrounding rock and stimulate production. Hydraulic fracturing is typically regulated by state agencies, but recently, there has been increased public concern regarding an alleged potential for hydraulic fracturing to adversely affect drinking water supplies, and proposals have been made to enact separate U.S. federal, state and local legislation that would increase the regulatory burden imposed on hydraulic fracturing.

For example, at the U.S. federal level, the EPA issued an Advance Notice of Proposed Rulemaking to collect data on chemicals used in hydraulic fracturing operations under Section 8 of the Toxic Substances Control Act, and proposed regulations under the CWA governing wastewater discharges from hydraulic fracturing and certain other natural gas operations. Also, the U.S. Department of the Interior released a final rule, that updates existing regulation of hydraulic fracturing activities on U.S. federal lands, including requirements for chemical disclosure, wellbore integrity and handling of flowback water. The final rule was expected to be effective on June 24, 2015, but, on September 30, 2015, a federal district court issued a preliminary injunction preventing implementation of the rule. In addition, several governmental reviews are underway that focus on environmental aspects of hydraulic fracturing activities. In June 2015, the EPA released its draft report on the potential impacts of hydraulic fracturing on drinking water resources, which concluded that hydraulic fracturing activities have not led to widespread, systemic impacts on drinking water sources in the United States, although there are above and below ground mechanisms by which hydraulic fracturing activities have the potential to impact drinking water sources. The draft report is expected to be finalized after a public comment period and a formal review by EPA's Science Advisory Board. In addition, the White House Council on Environmental Quality is coordinating an administration-wide review of hydraulic fracturing practices. The results of this study or similar governmental reviews could spur initiatives to further regulate hydraulic fracturing under the Safe Drinking Water Act of 1974 or otherwise.

At the state level, several states have adopted or are considering legal requirements that could impose more stringent permitting, disclosure, and well construction requirements on hydraulic fracturing activities. For example in May 2013, the Texas Railroad Commission adopted new rules governing well casing, cementing and other standards for ensuring that hydraulic fracturing operations do not contaminate nearby water resources. Local governments may also seek to adopt ordinances within their jurisdictions regulating the time, place and manner of, or prohibiting the performance of, drilling activities in general or hydraulic fracturing activities in particular. If new or more stringent federal, state or local legal restrictions relating to the hydraulic fracturing process are adopted in areas where our natural gas exploration and production customers operate, those customers could incur potentially significant added costs to comply with such requirements, experience delays or curtailment in the pursuit of exploration, development or production activities and perhaps even be precluded from drilling wells. Any such restrictions could reduce demand for our products and services, and as a result could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We are subject to a variety of governmental regulations; failure to comply with these regulations may result in administrative, civil and criminal enforcement measures and changes in these regulations could increase our costs or liabilities.

We are subject to a variety of U.S. federal, state, local and international laws and regulations relating to, for example, export controls, currency exchange, labor and employment and taxation. Many of these laws and regulations are complex, change frequently, are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time. From time to time, as part of our operations, including newly acquired operations, we may be subject to compliance audits by regulatory authorities in the various countries in which we operate. Our failure to comply with these laws and regulations may result in a variety of administrative, civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions as to future compliance, any of which may have a negative impact on our financial condition, profitability and results of operations.

We are subject to a variety of environmental, health and safety regulations. Failure to comply with these regulations may result in administrative, civil and criminal enforcement measures and changes in these regulations could increase our costs or liabilities.

We are subject to a variety of U.S. federal, state, local and international laws and regulations relating to the environment, and worker health and safety. These laws and regulations are complex, change frequently, are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time. Failure to comply with these laws and regulations may result in administrative, civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions as to future compliance. Certain of these laws also may impose joint and several and strict liability for environmental contamination, which may render us liable for remediation costs, natural resource damages and other damages as a result of our conduct that may have been lawful at the time it occurred or the conduct of, or conditions caused by, prior owners or operators or other third parties. In addition, where contamination may be present, it is not uncommon for neighboring land owners and other third parties to file claims for personal injury, property damage and recovery of response costs. Remediation costs and other damages arising as a result of environmental laws and regulations, and costs associated with new information, changes in existing environmental laws and regulations or the adoption of new environmental laws and regulations could be substantial and could negatively impact our financial condition, profitability and results of operations.

We may need to apply for or amend facility permits or licenses from time to time with respect to storm water or wastewater discharges, waste handling, or air emissions relating to manufacturing activities or equipment operations, which subjects us to new or revised permitting conditions. These permits and authorizations may contain numerous compliance requirements, including monitoring and reporting obligations and operational restrictions, such as emission limits, which may be onerous or costly to comply with. In addition, certain of our customer service arrangements may require us to operate, on behalf of a specific customer, petroleum storage units such as underground tanks or pipelines and other regulated units, all of which may impose additional compliance and permitting obligations. Given the large number of facilities in which we operate, and the numerous environmental permits and other authorizations that are applicable to our operations, we may occasionally identify or be notified of technical violations of certain requirements existing in various permits or other authorizations. Occasionally, we have been assessed penalties for our non-compliance, and we could be subject to such penalties in the future.

The modification or interpretation of existing environmental, health and safety laws or regulations, the more vigorous enforcement of existing laws or regulations, or the adoption of new laws or

regulations may also negatively impact oil and natural gas exploration and production, gathering and pipeline companies, including our customers, which in turn could have a negative impact on us.

Risks Relating to the Spin-Off

We may not realize some or all of the benefits we expect to achieve from our separation from Exterran Holdings.

The expected benefits from our separation from Exterran Holdings include the following:

- focusing on profitable growth in strategic markets and positioning us and our shareholders to benefit from the continued build-out of the global energy infrastructure and the redevelopment currently underway in North America;
- in our international services businesses, relatively stable cash flows due to our exposure to the production phase of oil and gas development, as compared to drilling and completion related energy service and product providers;
- limited capital expenditures in our product sales business;
- financial flexibility to enable investment in value-creating contract operations projects; and
- expanding our potential product sales customer base to include companies in the U.S. contract compression business that have historically been Exterran Holdings' competitors.

We may not achieve the anticipated benefits from our separation for a variety of reasons. For example, we may be unsuccessful in executing our strategy of expanding our product sales customer base to include competitors of Archrock because these prospective customers may have long-standing relationships with existing providers of similar products or services. Moreover, the process of separating our business from Exterran Holdings and operating as an independent public company may distract our management from focusing on our business and strategic priorities. In addition, we may not be able to issue debt or equity on terms acceptable to us or at all. The availability of shares of our common stock for use as consideration for acquisitions also will not ensure that we will be able to successfully pursue acquisitions or that any acquisitions will be successful. Moreover, even with equity compensation tied to our business we may not be able to attract and retain employees as desired. We also may not fully realize the anticipated benefits from our separation if any of the matters identified as risks in this "Risk Factors" section were to occur. If we do not realize the anticipated benefits from our separation for any reason, our business may be materially adversely affected.

The combined value of Archrock and Exterran Corporation shares after the spin-off may not equal or exceed the value of Exterran Holdings shares prior to the spin-off.

After the spin-off, Exterran Holdings, Inc. will change its name to "Archrock, Inc." and Archrock common stock will be listed and traded on the NYSE under the symbol "AROC." We expect to list our common stock on the NYSE under the symbol "EXTN." We cannot assure you that the combined trading prices of Archrock common stock and our common stock after the spin-off, as adjusted for any changes in the combined capitalization of these companies, will be equal to or greater than the trading price of Exterran Holdings common stock prior to the spin-off. Until the market has fully evaluated the business of Archrock without the international services and product sales businesses, the price at which Archrock common stock trades may fluctuate significantly. Similarly, until the market has fully evaluated our company, the price at which our common stock trades may fluctuate significantly.

A large number of our shares are or will be eligible for future sale, which may cause the market price for our common stock to decline.

Upon completion of the spin-off, we expect that we will have an aggregate of approximately 34.7 million shares of our common stock outstanding, based on the number of shares of Exterran Holdings common stock expected to be outstanding as of the record date. All of those shares (other than those held by our "affiliates") will be freely tradable without restriction or registration under the Securities Act of 1933, as amended. Shares held by our affiliates, which include our directors and executive officers, can be sold subject to volume, manner of sale and notice provisions under Rule 144. We estimate that our directors and executive officers, who may be considered "affiliates" for purposes of Rule 144, will beneficially own approximately 300,000 shares of our common stock immediately following the distribution. We are unable to predict whether large amounts of our common stock will be sold in the open market following the spin-off. We are also unable to predict whether a sufficient number of buyers will be in the market at that time. In addition, other Exterran Holdings shareholders may sell the shares of our common stock they receive in the distribution for various reasons. For example, such shareholders may not believe our business profile or level of market capitalization as an independent company fits their investment objectives. A change in the level of analyst coverage following the spin-off could also negatively impact demand for our shares. The sale of significant amounts of our common stock or the perception in the market that this will occur may lower the market price of our common stock.

Our historical combined and pro forma financial information may not be representative of the results we would have achieved as a stand-alone public company and may not be a reliable indicator of our future results.

The historical combined and pro forma financial information that we have included in this information statement has been derived from Exterran Holdings' accounting records and may not necessarily reflect what our financial position, results of operations or cash flows would have been had we been an independent, stand-alone entity during the periods presented or those that we will achieve in the future. Exterran Holdings did not account for us, and we were not operated, as a separate, stand-alone company for the historical periods presented. The costs and expenses reflected in our historical financial information include an allocation for certain functions historically provided by Exterran Holdings, including expense allocations for: (1) certain functions historically provided by Exterran Holdings, including, but not limited to finance, legal, risk management, tax, treasury, information technology, human resources, and certain other shared services, (2) certain employee benefits and incentives and (3) share-based compensation, that may be different from the comparable expenses that we would have incurred had we operated as a stand-alone company. These expenses have been allocated to us on the basis of direct usage when identifiable, with the remainder allocated based on estimated time spent by Exterran Holdings personnel, a pro-rata basis of revenues, headcount or other relevant measures of our business and Exterran Holdings and its subsidiaries. We have not adjusted our historical combined financial information to reflect changes that will occur in our cost structure and operations as a result of our transition to becoming a stand-alone public company, including increased costs associated with an independent board of directors, SEC reporting and the requirements of the NYSE. Therefore, our historical financial information may not necessarily be indicative of what our financial position, results of operations or cash flows will be in the future. We based the pro forma adjustments on available information and assumptions we believe are reasonable; however, our assumptions may prove not to be accurate. In addition, our unaudited pro forma combined financial statements may not give effect to various ongoing additional costs we may incur in connection with being an independent public company. Accordingly, our unaudited pro forma combined financial information does not reflect what our financial condition, results of operations or cash flows would have been as an independent public company and is not necessarily indicative of our future financial condition or future results of operations. For additional information, please read

"Selected Historical Combined Financial Data," "Unaudited Pro Forma Condensed Combined Financial Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our financial statements and related notes included elsewhere in this information statement.

Our costs will increase as a result of operating as a public company, and our management will be required to devote substantial time to complying with public company regulations.

We have historically operated our businesses as part of a public company. As a stand-alone public company, we will incur additional legal, accounting, compliance and other expenses that we have not incurred historically. After the spin-off, we will become obligated to file with the SEC annual and quarterly information and other reports that are specified in Section 13 and other sections of the Exchange Act. We will also be required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. In addition, we will also become subject to other reporting and corporate governance requirements, including certain requirements of the NYSE, and certain provisions of the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley, and the regulations promulgated thereunder, which will impose significant compliance obligations upon us.

We are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to comply with evolving laws, regulations and standards in this regard are likely to result in increased administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. These changes will require a significant commitment of additional resources. We may not be successful in implementing these requirements and implementing them could materially adversely affect our business, results of operations and financial condition. In addition, if we fail to implement the requirements with respect to our internal accounting and audit functions, our ability to report our operating results on a timely and accurate basis could be impaired. If we do not implement such requirements in a timely manner or with adequate compliance, we might be subject to sanctions or investigation by regulatory authorities, such as the SEC or the NYSE. Any such action could harm our reputation and the confidence of investors and customers in our company and could materially adversely affect our business and cause our share price to fall.

Our accounting and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which we will be subject following the spin-off and may strain our resources.

Our businesses have historically been operated as part of Exterran Holdings. Therefore, we have not been subject to separate reporting requirements. Following the spin-off, we will utilize our own resources and personnel to meet reporting and other obligations under the Exchange Act, including the requirements of Section 404 of Sarbanes-Oxley, which will require, beginning with the filing of our Annual Report on Form 10-K for the year ending December 31, 2016, annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent registered public accounting firm expressing an opinion on the effectiveness of our internal control over financial reporting. In addition, we will be required to file periodic reports with the SEC under the Exchange Act. These obligations will place significant demands on our management and administrative and operational resources, including accounting resources.

To comply with these requirements, we anticipate that we may need to upgrade our systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. We expect to incur additional annual expenses related to these steps and, among other things, directors and officers liability insurance, director fees, SEC reporting, transfer agent fees, increased auditing and legal fees and similar expenses, which expenses may be significant. If we are unable to upgrade our financial and

management controls, reporting systems, information technology and procedures in a timely and effective fashion, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies under the Exchange Act could be impaired. Any failure to achieve and maintain effective internal controls could have an adverse effect on our business, financial condition and results of operations.

Following the spin-off, we and Archrock will be subject to certain noncompetition restrictions, which may limit our ability to grow our business.

In connection with the spin-off, we will enter into a separation and distribution agreement with Archrock that we expect will contain certain noncompetition provisions addressing restrictions for a limited period of time after the spin-off on our ability to provide contract operations services in the United States and on Archrock's ability to provide contract operations services outside of the United States and product sales to customers worldwide, subject to certain exceptions. These restrictions limit our ability to attract new contract operations customers in the U.S., which will limit our ability to grow our business.

In addition, if we are unable to enforce the limitations on Archrock's ability to provide certain contract operations and fabrication services, we may lose prospective customers to Archrock, which could cause our results of operations and cash flows to suffer.

Following the spin-off, we and Archrock will provide one another with certain services under the transition services agreement that may require us to divert resources from our business, which in turn may negatively impact our business, financial condition and results of operations.

In connection with the completion of the spin-off, we and Archrock will enter into a transition services agreement under which each party will compensate the other for the provision of various administrative services and assets to such other party for specified periods beginning on the distribution date. The personnel performing services for Archrock under the transition services agreement will be employees and/or independent contractors of ours. In the course of performing our obligations under the transition services agreements, we will allocate certain of our resources, including assets, facilities, equipment and the time and attention of our management and personnel for the benefit of Archrock's business and not ours, which may negatively impact our business, financial condition and results of operations. Please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Transition Services Agreement."

Following the spin-off, Archrock will provide installation, start-up, commissioning and other services to us or our customers on our behalf.

Historically, we have had access to field technicians employed by Exterran Holdings to perform the installation and other services we require. We will, in certain cases, rely on some of Archrock's technicians to provide installation, start-up, commissioning and other services to us or our customers on our behalf pursuant to the services agreement we will enter into with Archrock on arm's length terms in connection with the spin-off. If Archrock is unable to satisfy its obligations to us or on our behalf under our commercial agreements with our customers for any reason, we may be unable to provide services required by our customers who purchase our products and therefore our sales and revenues may decline and our financial condition, results of operations and cash flows may be negatively impacted. In addition, should the services provided by Archrock not meet our standards or the standards of our customers, we may be subject to claims by our customers relating to damages incurred in connection with any such substandard performance. These claims could cause increased expenses and harm our reputation, which could negatively impact our financial condition, results of operations and cash flows. In addition, we expect to provide certain engineering, start-up, commissioning,

preservation and other services to Archrock or its customers on behalf of Archrock pursuant to a reciprocal services agreement we will enter into with Archrock. The provision of such services under the reciprocal services agreement will require us to allocate certain of our resources, including assets, facilities, equipment and the time and attention of our management and personnel for the benefit of Archrock's business and not ours, which may negatively impact our business, financial condition and results of operations. Please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Services Agreements."

Following the spin-off, we will provide Archrock and Archrock Partners with certain fabricated products, including compressors, and we will depend on Archrock and Archrock Partners for a significant amount of our product sales revenues.

After completion of the spin-off, Archrock and Archrock Partners will initially be among our largest customers and are expected to generate significant product sales revenues for us. Therefore, we will be indirectly subject to the operational and business risks of Archrock and Archrock Partners. If either Archrock or Archrock Partners is unable to satisfy its obligations or reduces its demand under our commercial agreements for any reason, our revenues would decline and our financial condition, results of operations and cash flows could be adversely affected. Further, we have no control over Archrock or Archrock Partners, and either Archrock or Archrock Partners may elect to pursue a business strategy that does not favor us or our business.

Several members of our board and management may have conflicts of interest because of their ownership of shares of common stock of or other equity interests in Exterran Holdings.

Following the spin-off, several members of our board and management will continue to own shares of common stock of Archrock and/or hold equity awards covering shares of common stock of Archrock because of their prior relationships with Exterran Holdings. This share and equity award ownership could create, or appear to create, potential conflicts of interest when our directors and executive officers are faced with decisions that could have different implications for our company and Archrock. Please read "Management."

We may increase our debt or raise additional capital in the future, which could affect our financial condition, may decrease our profitability or could dilute our shareholders.

We may increase our debt or raise additional capital in the future, subject to restrictions in our credit agreement. If our cash flow from operations is less than we anticipate, or if our cash requirements are more than we expect, we may require more financing. However, debt or equity financing may not be available to us on terms acceptable to us, if at all. If we incur additional debt or raise equity through the issuance of preferred stock, the terms of the debt or preferred stock issued may give the holders rights, preferences and privileges senior to those of holders of our common stock, particularly in the event of liquidation. The terms of the debt may also impose additional and more stringent restrictions on our operations than we currently have. If we raise funds through the issuance of additional equity, your ownership in us would be diluted. If we are unable to raise additional capital when needed, it could affect our financial health, which could negatively affect your investment in us.

We will be subject to continuing contingent tax liabilities of Exterran Holdings following the spin-off.

After the spin-off, certain tax liabilities of Exterran Holdings may become our obligations. Under the Code and the related rules and regulations, each corporation that was a member of the Exterran Holdings consolidated United States federal income tax reporting group during any taxable period or portion of any taxable period ending on or before the effective time of the distribution is jointly and severally liable for the United States federal income tax liability of the entire Exterran Holdings consolidated tax reporting group for that taxable period. In connection with the spin-off, we intend to

enter into a tax matters agreement with Archrock that will allocate the responsibility for prior period taxes of the Exterran Holdings consolidated tax reporting group between us and Archrock. See "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Tax Matters Agreement." If Archrock is unable to pay any prior period taxes for which it is responsible, we could be required to pay the entire amount of such taxes.

The tax treatment of the distribution is subject to uncertainty. If the distribution does not qualify as a transaction that is tax-free for U.S. federal income tax purposes, we, Archrock and our shareholders could be subject to significant tax liability and, in certain circumstances, we could be required to indemnify Archrock for material taxes pursuant to indemnification obligations under the tax matters agreement.

If the internal distribution and/or the distribution is determined to be taxable for U.S. federal income tax purposes, then we, Archrock and/or our shareholders could be subject to significant tax liability. Exterran Holdings expects to obtain an opinion of Latham & Watkins LLP substantially to the effect that, for U.S. federal income tax purposes, (i) the internal distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, and (ii) the distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, subject to certain qualifications and limitations. Accordingly, for U.S. federal income tax purposes, Exterran Holdings should not recognize any material gain or loss and you generally should recognize no gain or loss or include any amount in taxable income (other than with respect to cash received in lieu of fractional shares) as a result of the spin-off.

An opinion that the internal distribution and the distribution "should" each qualify as a reorganization within the meaning of Sections 355 and 368(a)(1)(D) of the Code expresses a level of comfort that is stronger than "more likely than not" but less than "will." Counsel is unable to provide a higher degree of certainty because there is no administrative or judicial authority that directly addresses facts similar to those of this transaction. Nonetheless, counsel believes that its opinion is justified based on the existing authorities. In addition, notwithstanding the opinion, the Internal Revenue Service (the "IRS") could determine on audit that the spin-off should be treated as a taxable transaction if it determines that any of the facts, assumptions, representations or undertakings we or Exterran Holdings has made is not correct or has been violated, or that the spin-off should be taxable for other reasons, including as a result of a significant change in stock or asset ownership after the distribution. If the distribution ultimately is determined to be taxable, the distribution could be treated as a taxable dividend or capital gain to you for U.S. federal income tax purposes, and you could incur significant U.S. federal income tax liabilities. In addition, Archrock would recognize gain in an amount equal to the excess of the fair market value of shares of our common stock distributed to Exterran Holdings shareholders on the distribution date over Exterran Holdings' tax basis in such shares of our common stock. Moreover, Archrock could incur significant United States federal income tax liabilities if it is ultimately determined that the internal distribution is taxable.

Under the terms of the tax matters agreement that we intend to enter into with Archrock in connection with the distribution, if the distribution were determined to be taxable, we may be responsible for all taxes imposed on Archrock as a result thereof if such determination was the result of actions taken after the distribution by or in respect of us, any of our affiliates or our shareholders and we may be responsible for 50% of such taxes imposed on Archrock as a result thereof if such determination was not the result of actions taken by us or Archrock. Our obligations under the tax matters agreement are not limited in amount or subject to any cap. Further, even if we are not responsible for tax liabilities of Archrock and its subsidiaries under the tax matters agreement, we nonetheless could be liable under applicable tax law for such liabilities if Archrock were to fail to pay them. If we are required to pay any liabilities under the circumstances set forth in the tax matters agreement or pursuant to applicable tax law, the amounts may be significant. For a more detailed

discussion, see "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Tax Matters Agreement."

We might not be able to engage in desirable strategic transactions and equity issuances following the distribution because of certain restrictions relating to requirements for tax-free distributions.

Our ability to engage in significant equity transactions could be limited or restricted after the distribution in order to preserve, for U.S. federal income tax purposes, the tax-free nature of the distribution. Even if the distribution otherwise qualifies for tax-free treatment under Section 355 of the Code, it may result in corporate-level taxable gain to Exterran Holdings under Section 355(e) of the Code if there is a 50% or greater change in ownership, by vote or value, of shares of our stock, Exterran Holdings' stock or the stock of a successor of either occurring as part of a plan or series of related transactions that includes the distribution. Any acquisitions or issuances of our stock or Archrock's stock within two years after the distribution are generally presumed to be part of such a plan, although we or Archrock may be able to rebut that presumption.

Under the tax matters agreement that we intend to enter into with Archrock, we will be prohibited from taking or failing to take any action that prevents the distribution from being tax-free. Further, during the two-year period following the distribution, without obtaining the consent of Archrock, a private letter ruling from the IRS or an unqualified opinion of a nationally recognized law firm, we may be prohibited from taking certain specified actions that could impact the treatment of the distribution.

These restrictions may limit our ability to pursue strategic transactions or engage in new business or other transactions that may maximize the value of our business. Moreover, the tax matters agreement also may provide that we are responsible for any taxes imposed on Exterran Holdings or any of its affiliates as a result of the failure of the distribution to qualify for favorable treatment under the Code if such failure is attributable to certain actions taken after the distribution by or in respect of us, any of our affiliates or our shareholders. See "The Spin-Off—Material U.S. Federal Income Tax Consequences of the Spin-Off."

Our prior and continuing relationship with Archrock exposes us to risks attributable to businesses of Archrock.

Archrock is obligated to indemnify us for losses that third parties may seek to impose upon us or our affiliates for liabilities relating to the business of Archrock that are incurred through a breach of the separation and distribution agreement or any ancillary agreement by Archrock or its affiliates other than us, or losses that are attributable to Archrock in connection with the spin-off or are not expressly assumed by us under our agreements with Archrock. Immediately following the spin-off, any claims made against us that are properly attributable to Archrock in accordance with these arrangements would require us to exercise our rights under our agreements with Archrock to obtain payment from Archrock. We are exposed to the risk that, in these circumstances, Archrock cannot, or will not, make the required payment.

In connection with our separation from Exterran Holdings, Archrock will indemnify us for certain liabilities, and we will indemnify Archrock for certain liabilities. If we are required to act on these indemnities to Archrock, we may need to divert cash to meet those obligations, and our financial results could be negatively impacted. In the case of Archrock's indemnity, there can be no assurance that the indemnity will be sufficient to insure us against the full amount of such liabilities, or as to Archrock's ability to satisfy its indemnification obligations.

Pursuant to the separation and distribution agreement and other agreements with Archrock, Archrock will agree to indemnify us for certain liabilities, and we will agree to indemnify Archrock for

certain liabilities, in each case for uncapped amounts, as discussed further in "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us." Also pursuant to the separation and distribution agreement, we will agree to use our commercially reasonable efforts to remove Archrock as a party to certain of our contracts with third parties, which may result in a renegotiation of such contracts on terms that are less favorable to us. In the event that Archrock remains as a party, we expect to indemnify Archrock for any liabilities relating to such contracts. Indemnities that we may be required to provide Archrock will not be subject to any cap, may be significant and could negatively impact our business, particularly indemnities relating to our actions that could impact the tax-free nature of the distribution.

With respect to Archrock's, agreement to indemnify us, there can be no assurance that the indemnity from Archrock will be sufficient to protect us against the full amount of such liabilities, or that Archrock will be able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from Archrock any amounts for which we are held liable, we may be temporarily required to bear these losses ourselves. Each of these risks could negatively affect our business, cash flows, results of operations and financial condition.

The spin-off may expose us to potential liabilities arising out of state and federal fraudulent conveyance laws and legal dividend requirements.

The spin-off is subject to review under various state and federal fraudulent conveyance laws. Under these laws, if a court in a lawsuit by an unpaid creditor or an entity vested with the power of such creditor (including without limitation a trustee or debtor-in-possession in a bankruptcy by us or Archrock or any of our respective subsidiaries) were to determine that Archrock or any of its subsidiaries did not receive fair consideration or reasonably equivalent value for distributing our common stock or taking other action as part of the spin-off, or that we or any of our subsidiaries did not receive fair consideration or reasonably equivalent value for incurring indebtedness, including the borrowings incurred by us under the new credit facility in connection with the spin-off, transferring assets or taking other action as part of the spin-off and, at the time of such action, we, Archrock or any of our respective subsidiaries (i) was insolvent or would be rendered insolvent, (ii) lacked reasonably sufficient capital to carry on its business and all business in which it intended to engage or (iii) intended to incur, or believed it would incur, debts beyond its ability to repay such debts as they would mature, then such court could void the spin-off as a constructive fraudulent transfer. If such court made this determination, the court could impose a number of different remedies, including without limitation, voiding our liens and claims against Archrock, or providing Archrock with a claim for money damages against us in an amount equal to the difference between the consideration received by Archrock and the fair market value of our company at the time of the spin-off.

The measure of insolvency for purposes of the fraudulent conveyance laws will vary depending on which jurisdiction's law is applied. Generally, however, an entity would be considered insolvent if the present fair saleable value of its assets is less than (i) the amount of its liabilities (including contingent liabilities) or (ii) the amount that will be required to pay its probable liabilities on its existing debts as they become absolute and mature. No assurance can be given as to what standard a court would apply to determine insolvency or that a court would determine that we, Archrock or any of our respective subsidiaries were solvent at the time of or after giving effect to the spin-off, including the distribution of our common stock.

Under the separation and distribution agreement, from and after the spin-off, each of Archrock and we will be responsible for the debts, liabilities and other obligations related to the business or businesses which it owns and operates following the consummation of the spin-off. Although we do not expect to be liable for any such obligations not expressly assumed by us pursuant to the separation and distribution agreement, it is possible that a court would disregard the allocation agreed to between the parties, and require that we assume responsibility for obligations allocated to Archrock, particularly if

Archrock were to refuse or were unable to pay or perform the subject allocated obligations. Please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Separation and Distribution Agreement."

If the completion of the spin-off is delayed, the new credit facility may not become effective and we may have to enter into a separate credit facility with less favorable terms and conditions.

In connection with the spin-off, on July 10, 2015, we and EESLP entered into a new $750.0 million credit facility with Wells Fargo Bank, National Association, as the administrative agent, and various financial institutions as lenders. On October 5, 2015, the parties entered into an amended and restated credit agreement, evidencing our new $680.0 million revolving credit facility and our new $245.0 million term loan facility, which we refer to collectively as our new credit facility. Our ability to borrow under the new credit facility is subject to the satisfaction of certain conditions, including the consummation of the spin-off, on or before January 4, 2016. If we are unable to complete the spin-off by that date, the new credit facility will terminate.

Additionally, if the new credit facility is terminated, it may be necessary to enter into a separate credit facility with less favorable terms and conditions. As a result, we may incur higher borrowing costs and could be subject to more stringent covenants that have the impact of reducing our liquidity and additional restrictions on our business, which may in turn adversely impact our financial condition and operations.

Further, pursuant to the separation and distribution agreement, EESLP will use its commercially reasonable efforts to complete one or more unsecured debt offerings or equity issuances resulting in aggregate gross cash proceeds of at least $250.0 million on the terms described in the credit agreement (such transaction, a "qualified capital raise") on or before the maturity date of our $245.0 million term loan facility, which is currently expected to be the second anniversary of the completion of the spin-off or as soon as practicable thereafter. In connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive, promptly following the occurrence of a qualified capital raise, a $25.0 million cash payment.

Risks Relating to Ownership of Our Common Stock

No market currently exists for our common stock. We cannot assure you that an active trading market will develop for our common stock.

Prior to the completion of the spin-off, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on the NYSE or otherwise, or how liquid that market might become. If an active market does not develop, you may have difficulty selling any shares of our common stock that you receive in the spin-off.

The market price and trading volume of our common stock may be volatile and you may not be able to resell your shares at or above the initial market price of our common stock following the spin-off.

The market price of our stock may be influenced by many factors, some of which are beyond our control, including those described above in "—Risks Relating to Our Business" and the following:

- the failure of securities analysts to cover our common stock after the spin-off or changes in financial estimates by analysts;
- the inability to meet the financial estimates of analysts who follow our common stock;
- strategic actions by us or our competitors;

- announcements by us or our competitors of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments;
- variations in our quarterly operating results and those of our competitors;
- general economic and stock market conditions;
- risks relating to our business and our industry, including those discussed above;
- changes in conditions or trends in our industry, markets or customers;
- cyber-attacks or terrorist acts;
- future sales of our common stock or other securities; and
- investor perceptions of the investment opportunity associated with our common stock relative to other investment alternatives.

As a result of these factors, holders of our common stock may not be able to resell their shares at or above the initial market price following the spin-off or may not be able to resell them at all. These broad market and industry factors may materially reduce the market price of our common stock, regardless of our operating performance. In addition, price volatility may be greater if the public float and trading volume of our common stock is low. For these reasons, investors should not rely on recent trends in the price of Exterran Holdings' common stock to predict the future price of our common stock or our financial results.

The trading market for our common stock and our stock price will be influenced from coverage by, and the recommendations of, securities or industry analysts, and unfavorable or insufficient coverage could cause our stock price to decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. In addition, if we fail to meet the expectations of these analysts or if one or more of these analysts change their recommendations regarding our stock or our business, our stock price may decline.

Although Exterran Holdings has paid dividends on its common stock in the past, we cannot assure you that we will pay dividends on our common stock, and our indebtedness could limit our ability to pay dividends on our common stock.

We do not currently anticipate paying cash dividends on our common stock. The declaration and amount of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend upon many factors, including our financial condition, earnings, capital requirements of our business, covenants contained in our debt agreements, legal requirements, regulatory constraints, industry practice and other factors the board of directors deems relevant. In addition, our ability to pay dividends on our common stock may be limited by covenants in our debt agreements. Future agreements may also limit our ability to pay dividends, and we may incur incremental taxes in the U.S. if we repatriate foreign earnings to pay such dividends. Please read "Dividend Policy," "Description of Material Indebtedness." "Management's Discussion and Analysis of Financial Condition and Results of Operations—Income Taxes" and "Risk Factors—Risks Relating to Our Business—We are due to receive a substantial amount in installment payments from the purchaser of our previously nationalized Venezuelan assets, the nonpayment of which would render us unable to contribute amounts corresponding to those funds to Archrock or its subsidiaries." We cannot provide assurance that we will declare or pay dividends in any particular amounts or at all in the future. A

decision not to pay dividends or a reduction in our dividend payments in the future could have a negative effect on our stock price.

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternate forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law (the "DGCL"), our amended and restated certificate of incorporation or our bylaws, in each case, as amended from time to time, or (iv) any action asserting a claim governed by the internal affairs doctrine, shall be the Court of Chancery of the State of Delaware, in all cases subject to the court's having personal jurisdiction over the indispensable parties named as defendants. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have received notice of and consented to the foregoing provision. This forum selection provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable or cost-effective for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained in this information statement constitute forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact contained in this information statement may be and include, without limitation, statements regarding our business growth strategy and projected costs; future financial position; the sufficiency of available cash flows to fund continuing operations; the expected amount of our capital expenditures; anticipated cost savings, future revenue, gross margin and other financial or operational measures related to our business and our primary business segments; the future value of our equipment; and plans and objectives of our management for our future operations. You can identify many of these statements by looking for words such as "believe," "expect," "intend," "project," "anticipate," "estimate," "will continue" or similar words or the negative thereof.

Such forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those anticipated as of the date of this information statement. Although we believe that the expectations reflected in these forward-looking statements are based on reasonable assumptions, no assurance can be given that these expectations will prove to be correct. Known material factors that could cause our actual results to differ materially from the expectations reflected in these forward-looking statements include the factors discussed in "Risk Factors" included elsewhere in this information statement, as well as the following risks and uncertainties:

- conditions in the oil and natural gas industry, including a sustained decrease in the level of supply or demand for oil or natural gas or a sustained decrease in the price of oil or natural gas, which could continue to depress or further decrease the demand or pricing for our natural gas compression and oil and natural gas production and processing equipment and services;
- our reduced profit margins or the loss of market share resulting from competition or the introduction of competing technologies by other companies;
- our reliance on Archrock for a significant amount of our product sales revenues and our ability to secure new product sales customers;
- changes in economic or political conditions in the countries in which we do business, including civil uprisings, riots, terrorism, kidnappings, violence associated with drug cartels, legislative changes and the expropriation, confiscation or nationalization of property without fair compensation;
- changes in currency exchange rates, including the risk of currency devaluations by foreign governments, and restrictions on currency repatriation;
- the inherent risks associated with our operations, such as equipment defects, malfunctions and natural disasters;
- the risk that counterparties will not perform their obligations under our financial instruments;
- the financial condition of our customers;
- our ability to timely and cost-effectively obtain components necessary to conduct our business;
- employment and workforce factors, including our ability to hire, train and retain key employees;
- our ability to implement certain business and financial objectives, such as:
    - winning profitable new business;
    - timely and cost-effective execution of projects;
    - enhancing our asset utilization, particularly with respect to our fleet of compressors;

- integrating acquired businesses;
- generating sufficient cash; and
- accessing the capital markets at an acceptable cost;

- liability related to the use of our products and services;
- changes in governmental safety, health, environmental and other regulations, which could require us to make significant expenditures;
- our level of indebtedness and ability to fund our business;
- the completion of the spin-off more fully described in "The Spin-Off"; and
- the agreements related thereto and the anticipated effects of restructuring our business.

All forward-looking statements included in this information statement are based on information available to us on the date of this information statement. Neither we nor Exterran Holdings undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements contained throughout this information statement.

THE SPIN-OFF

General

The board of directors of Exterran Holdings regularly reviews the various operations conducted by Exterran Holdings to ensure that resources are deployed and activities are pursued in the best interest of its shareholders. On November 17, 2014, Exterran Holdings announced that its board of directors had approved in principle a plan involving the pro rata distribution of all of our shares of common stock to Exterran Holdings' shareholders in a distribution intended to be tax-free to us and such shareholders for U.S. federal income tax purposes (other than with respect to any cash received in lieu of fractional shares). The spin-off is subject to, among other things, final approval by the Exterran Holdings board of directors and the conditions described below under "—Spin-Off Conditions and Termination." In connection with the spin-off, Exterran Holdings will change its name to "Archrock, Inc." and will trade on the NYSE under the symbol "AROC."

We are currently a wholly owned subsidiary of Exterran Holdings. Following the completion of the spin-off, we expect to own the assets and be obligated on the liabilities comprising Exterran Holdings' international services and product sales businesses.

Exterran Holdings will accomplish our separation through a pro rata distribution of 100% of our outstanding common stock to Exterran Holdings' shareholders, which we refer to as the distribution, on , 2015, the distribution date. As a result of the spin-off, each holder of Exterran Holdings common stock as of 5:00 p.m., New York City time, on , 2015, the record date, will be entitled to:

- receive one share of our common stock for every two shares of Exterran Holdings common stock owned by such holder; and
- retain such holder's shares of Archrock common stock.

Exterran Holdings shareholders will not be required to pay for shares of our common stock received in the spin-off or to surrender or exchange shares of Exterran Holdings common stock in order to receive our common stock or to take any other action in connection with the spin-off. No vote of Exterran Holdings shareholders will be required or sought in connection with the spin-off, and Exterran Holdings shareholders will have no appraisal rights in connection with the spin-off.

Reasons for the Spin-Off

Exterran Holdings' board and management team believe that there are significant expected benefits to the simplified, separate companies resulting from this transaction, including:

- with respect to Archrock:
  - a focus on growing the U.S. services businesses, including organic growth, third party acquisitions and the sale by Archrock of additional U.S. contract operations assets to Archrock Partners;
  - relatively stable cash flows and a focus on its fee-based natural gas contract compression business;
  - the opportunity for Archrock to return a high percentage of cash flow to shareholders in the form of a dividend;
  - a pure-play investment opportunity with significant exposure to the U.S. energy infrastructure redevelopment;
  - opportunities to pursue acquisitions with potentially more highly valued equity currency;

- a narrowing of industry focus that may potentially provide more extensive and more specialized equity research coverage; and
- the ability to be valued on a dividend yield basis, consistent with other publicly traded general partners, unlocking value for shareholders.

- with respect to us:
  - a focus on profitable growth in strategic markets and positioning us and our shareholders to benefit from the continued build-out of the global energy infrastructure and the redevelopment currently underway in the U.S.;
  - in our international services businesses relatively stable cash flows due to our exposure to the production phase of oil and gas development, as compared to drilling and completion related energy service and product providers;
  - limited capital expenditures in our product sales business;
  - financial flexibility to enable investment in value-creating contract operations projects; and
  - the opportunity to expand our potential product sales customer base to include companies in the U.S. contract compression business that have historically been Exterran Holdings' competitors.

Results of the Spin-Off

After the spin-off, we will be an independent public company. Immediately following the spin-off, we expect that approximately 34.7 million shares of our common stock will be issued and outstanding, based on the number of shares of Exterran Holdings common stock outstanding on June 30, 2015 and that we expect will remain outstanding on , 2015, the record date for the spin-off. The actual number of shares of our common stock to be distributed will be determined based on the number of shares of Exterran Holdings common stock outstanding as of the record date. We also expect to have approximately 1,295 shareholders of record, based on the number of shareholders of record of Exterran Holdings common stock on June 30, 2015.

We and Archrock will enter into a number of agreements that govern the spin-off and our future relationship. For a more detailed description of these agreements, please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us."

You will not be required to make any payment for the shares of our common stock you receive, nor will you be required to surrender or exchange your shares of Exterran Holdings common stock or take any other action in order to receive the shares of our common stock to which you are entitled. The spin-off will not affect the number of outstanding shares of Exterran Holdings common stock or any rights of Exterran Holdings shareholders, although it will affect the market value of the outstanding Archrock common stock.

Manner of Effecting the Spin-Off

The general terms and conditions relating to the spin-off will be set forth in a separation and distribution agreement between Archrock and us. For a description of the expected terms of that agreement, please read "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Separation and Distribution Agreement." Under the separation and distribution agreement, the spin-off will be effective on the distribution date. As a result of the spin-off, each Exterran Holdings shareholder will be entitled to receive one share of our common stock for every two shares of Exterran Holdings common stock owned on the record date. As discussed under "—Trading of Exterran Holdings Common Stock After the Record Date and Prior to the Distribution," if a holder

of record of Exterran Holdings common stock sells those shares in the "regular way" market after the record date and on or prior to the distribution date, that shareholder also will be selling the right to receive shares of our common stock in the spin-off. The distribution will be made in book-entry form. For registered Exterran Holdings shareholders, our transfer agent will credit their shares of our common stock to book-entry accounts established to hold their shares of our common stock. Book-entry refers to a method of recording stock ownership in our records in which no physical certificates are issued. For shareholders who own Exterran Holdings common stock through a bank or brokerage firm, their shares of our common stock will be credited to their accounts by the bank or broker. Please read "—When and How You Will Receive Exterran Corporation Shares" below. Each share of our common stock that is distributed will be validly issued, fully paid and nonassessable. Holders of shares of our common stock will not be entitled to preemptive rights. Please read "Description of Capital Stock."

When and How You Will Receive Exterran Corporation Shares

On the distribution date, Exterran Holdings will release approximately 34.7 million shares of our common stock for distribution by American Stock Transfer & Trust Co., LLC, the distribution agent. The distribution agent will cause the shares of our common stock to which you are entitled to be registered in your name or in the "street name" of your bank or brokerage firm.

"Street Name" Holders. Many Exterran Holdings shareholders hold Exterran Holdings common stock through an account with a bank or brokerage firm. If this applies to you, that bank or brokerage firm is the registered holder that holds the shares on your behalf. For shareholders who hold their shares of Exterran Holdings common stock in an account with a bank or brokerage firm, our common stock distributed to you will be registered in the "street name" of your bank or broker, who in turn will electronically credit your account with the shares of our common stock that you are entitled to receive in the spin-off. We anticipate that banks and brokers will generally credit their customers' accounts with our common stock on or shortly after the distribution date. We encourage you to contact your bank or broker if you have any questions regarding the mechanics of having shares of our common stock credited to your account.

Registered Holders. If you are the registered holder of shares of Exterran Holdings common stock and hold your shares of Exterran Holdings common stock either in physical form or in book-entry form, the shares of our common stock distributed to you will be registered in your name and you will become the holder of record of that number of shares of our common stock. Our distribution agent will send you a statement reflecting your ownership of our common stock.

Exterran Corporation Direct Registration System. As part of the spin-off, we will be adopting a direct registration system for book-entry share registration and transfer of our common stock. The shares of our common stock to be distributed in the spin-off will be distributed as uncertificated shares registered in book-entry form through the direct registration system. No certificates representing your shares will be mailed to you in connection with the spin-off. Under the direct registration system, instead of receiving stock certificates, you will receive a statement reflecting your ownership interest in our shares. Following the spin-off, however, holders of record may request physical stock certificates. Contact information for our transfer agent and registrar is provided under "Questions and Answers About the Spin-Off." The distribution agent will begin mailing book-entry account statements reflecting your ownership of shares promptly after the distribution date. You can obtain more information regarding the direct registration system by contacting our transfer agent and registrar.

Treatment of Fractional Shares

The transfer agent will not deliver any fractional shares of our common stock in connection with the spin-off. Instead, the transfer agent will aggregate all fractional shares and sell them on behalf of

those holders who otherwise would be entitled to receive a fractional share. We anticipate that these sales will occur as soon as practicable after the distribution date. Those holders will then receive a cash payment in the form of a check in an amount equal to their pro rata share of the total net proceeds of those sales. If you physically hold Exterran Holdings stock certificates, your check for any cash that you may be entitled to receive instead of fractional shares of our common stock will be mailed to you separately. We expect that checks will generally be distributed to shareholders within one to two weeks after the distribution date. Broker selling expenses in connection with these sales will be paid by Exterran Holdings.

It is expected that all fractional shares held in street name will be aggregated and sold by brokers or other nominees according to their standard procedures. You should contact your broker or other nominee for additional details.

None of Exterran Holdings, our company or the transfer agent will guarantee any minimum sale price for the fractional shares of our common stock. Neither we nor Exterran Holdings will pay any interest on the proceeds from the sale of fractional shares. The receipt of cash in lieu of fractional shares will generally be taxable to the recipient shareholders. Please read "—Material U.S. Federal Income Tax Consequences of the Spin-Off."

Market for Our Common Stock

There is currently no public market for our common stock. A condition to the spin-off is the listing of our common stock on the NYSE. We expect to list our common stock on the NYSE under the symbol "EXTN." We anticipate that trading of our common stock will commence on a when-issued basis on or shortly before the record date. When-issued trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. On the first trading day following the distribution date, when-issued trading with respect to our common stock will end and regular way trading will begin. Regular way trading refers to trading after a security has been issued and typically involves a transaction that settles on the third full business day following the date of the transaction. Neither we nor Exterran Holdings can assure you as to the trading price of our common stock after the spin-off or as to whether the trading price of a share of Archrock common stock after the spin-off plus half of the trading price of a share of our common stock will equal or exceed the trading price of a share of Exterran Holdings common stock before the spin-off. The trading price of our common stock is likely to fluctuate significantly, particularly until an orderly market develops. See "Risk Factors—Risks Relating to Ownership of Our Common Stock." In addition, we cannot predict any change that may occur in the trading price or volume of Archrock's common stock as a result of the spin-off.

Trading of Exterran Holdings Common Stock After the Record Date and Prior to the Distribution

Beginning on or shortly before the record date and through the distribution date, there will be two concurrent markets in which to trade Exterran Holdings common stock: a regular way market and an ex-distribution market. Shares of Exterran Holdings common stock that trade in the regular way market will trade with an entitlement to shares of our common stock distributed in connection with the spin-off. Shares that trade in the ex-distribution market will trade without an entitlement to shares of our common stock distributed in connection with the spin-off. Therefore, if you owned shares of Exterran Holdings common stock at 5:00 p.m., New York City time, on the record date and sell those shares in the regular way market on or prior to the distribution date, you also will be selling your right to receive the shares of our common stock that would have been distributed to you in connection with the spin-off. If you sell those shares of Exterran Holdings common stock in the ex-distribution market prior to or on the distribution date, you will still receive the shares of our common stock that were to be distributed to you in connection with the spin-off as a result of your ownership of the shares of Exterran Holdings common stock.

We expect to have approximately 34.7 million shares of our common stock outstanding immediately after the spin-off, based upon the number of shares of Exterran Holdings common stock outstanding on June 30, 2015 and that we expect will remain outstanding on , 2015, the record date for the spin-off. The shares of our common stock distributed to Exterran Holdings shareholders will be freely transferable, except for shares received by persons who may be deemed to be our "affiliates" under the Securities Act of 1933, as amended, or the Securities Act, and except for shares issued as restricted stock under our incentive plan. Persons who may be deemed to be our affiliates after the spin-off generally include individuals or entities that control, are controlled by, or are under common control with us, and may include some or all of our directors and executive officers. Our affiliates will be permitted to sell their shares of our common stock only pursuant to an effective Registration Statement under the Securities Act or an exemption from the registration requirements of the Securities Act, such as the exemption afforded by Rule 144.

Treatment of Stock-Based Awards

Treatment of Exterran Holdings Stock Options

Options to purchase common stock of Exterran Holdings ("Archrock Options") will generally be adjusted as described below based on (i) the date on which the Archrock Option was granted and (ii) whether the optionholder will be employed or engaged by Archrock or Exterran Corporation (or their respective affiliates) following the distribution. References to "Archrock" in this section mean Exterran Holdings prior to the spin-off.

Archrock Options Granted Prior to 2015

Each Archrock Option that was granted prior to calendar year 2015 and that is outstanding as of the distribution date, whether vested or unvested, will be adjusted through conversion into an adjusted Archrock Option and an option to purchase shares of Exterran Corporation common stock (an "Exterran Corporation Option"). The number of shares of Exterran Corporation common stock and Archrock common stock subject to the new Exterran Corporation Option and the adjusted Archrock Option, respectively, as well as the exercise prices applicable to these options, will be determined based on the value of Exterran Corporation's common stock on the when-issued market and Archrock's common stock on the ex-dividend market, in each case, relative to the value of Archrock's common stock on the NYSE, based on their respective closing prices on the distribution date. Specifically, (i) the number of shares of common stock subject to each adjusted option will equal (a) the number of Archrock shares of common stock subject to the Archrock Option immediately prior to the adjustment multiplied by (b) a fraction, the numerator of which equals the value of the Archrock common stock (based on its closing price on the NYSE on the distribution date) and the denominator of which equals (x) the value of Exterran Corporation's common stock (based on its closing price on the when-issued market on the distribution date) or (y) the value of Archrock's common stock (based on its closing price on the ex-dividend market on the distribution date), as applicable, (such fraction, the "Conversion Ratio"), and further multiplied by (c) a fraction, the numerator of which equals (x) the value of Archrock's common stock (based on its closing price on the ex-dividend market on the distribution date) or (y) the value of Exterran Corporation's common stock (based on its closing price on the when-issued market on the distribution date) multiplied by the number of Exterran Corporation shares distributed for each share of Archrock on the distribution date (the "Distribution Ratio"), as applicable, and the denominator of which is the sum of such values and (ii) the exercise price of each adjusted option will equal the exercise price of the Archrock Option divided by the applicable Conversion Ratio.

The number of vested and unvested shares subject to each adjusted option following the adjustment will be proportionate to the number of vested and unvested shares of Archrock common stock subject to the corresponding Archrock Option immediately prior to the adjustment.

Archrock Options Granted During 2015

Archrock has not granted any Archrock Options during calendar year 2015, and does not currently expect to grant any Archrock Options during calendar year 2015 prior to the distribution date. However, if Archrock does make grants of Archrock Options during calendar year 2015 prior to the distribution date, such options will be adjusted as described below.

Archrock Options Granted During 2015 to Exterran Corporation Employees

Each Archrock Option that was granted during calendar year 2015 and that is outstanding as of the distribution date (whether vested or unvested) and which is held by an individual who will be employed or engaged, as applicable, by Exterran Corporation or its affiliates immediately following the distribution ("Exterran Corporation Employees") will be adjusted through conversion solely into an Exterran Corporation Option. The number of shares of common stock subject to each Exterran Corporation Option will equal the product of (i) the number of shares of Archrock's common stock subject to the Archrock Option immediately prior to the adjustment and (ii) the Exterran Corporation Conversion Ratio. The exercise price of each Exterran Corporation Option will equal the exercise price of the Archrock Option immediately prior to the distribution divided by the same ratio.

The number of vested and unvested shares subject to each Exterran Corporation Option following the adjustment will be proportionate to the number of vested and unvested shares of Archrock common stock subject to the corresponding Archrock Option immediately prior to the adjustment.

Archrock Options Granted During 2015 to Archrock Employees

Each Archrock Option that was granted in calendar year 2015 and that is outstanding as of the distribution date (whether vested or unvested) and which is held by an individual who will be employed or engaged, as applicable, by Archrock or its affiliates immediately following the distribution ("Archrock Employees") will be adjusted to cover a number of Archrock shares. The number of shares of common stock subject to each adjusted Archrock Option will equal the product of (i) the number of shares of Archrock's common stock subject to the Archrock Option immediately prior to the adjustment and (ii) the Archrock Conversion Ratio. The exercise price of each adjusted Archrock Option will equal the exercise price of the Archrock Option immediately prior to the adjustment divided by the same ratio.

The number of vested and unvested shares subject to each adjusted Archrock Option following the adjustment will be proportionate to the number of vested and unvested shares of Archrock common stock subject to the corresponding Archrock Option immediately prior to the adjustment.

Archrock Incentive Stock Options

Notwithstanding the treatment described above, each Archrock Option that is intended to qualify as an "incentive stock option" (within the meaning of Section 422 of the Code) and that is held by an Archrock Employee or Exterran Corporation Employee who elected, prior to the distribution, to preserve the tax treatment of their Archrock incentive stock options will be converted solely into an option denominated in shares of the common stock of such employee's post-distribution employer in accordance with the adjustments described above under "*Archrock Options Granted During 2015 to Exterran Corporation Employees*" (if such employee is an Exterran Corporation Employee) or "*Archrock Options Granted During 2015 to Archrock Employees*" (if such employee is an Archrock Employee). Archrock incentive stock options held by an Archrock Employee or Exterran Corporation Employee who does not elect, prior to the spin-off, to preserve the tax treatment of his or her Archrock incentive stock options will be adjusted as otherwise described above, based on (i) the date on which the option was granted and (ii) whether the optionholder will be an Exterran Corporation Employee or an Archrock Employee following the distribution.

Archrock Options Held by Non-Continuing Employees

In addition, notwithstanding the treatment described above, each Archrock Option held by an individual who, as of the effective time of the distribution, is a former employee or other service provider of Exterran Corporation or Archrock (or their respective affiliates) will be adjusted solely into an Archrock Option in accordance with the adjustments described above under "*Archrock Options Granted During 2015 to Archrock Employees*".

Treatment of Exterran Holdings Restricted Stock, Restricted Stock Unit and Performance Unit Awards

Restricted stock, restricted stock unit and performance unit awards denominated in shares of Exterran Holdings common stock (each, an "Archrock Stock Award") will be adjusted as described below based on (i) the date on which the Archrock Stock Award was granted and (ii) whether the holder will be employed or engaged by Archrock or Exterran Corporation (or their respective affiliates) following the distribution.

Archrock Stock Awards Granted Prior to 2015

Each Archrock Stock Award that was granted prior to calendar year 2015 and that is outstanding as of the distribution date will be adjusted through conversion into an adjusted Archrock Stock Award and a restricted stock, restricted stock unit or performance unit award, as applicable, denominated in shares of Exterran Corporation common stock (an "Exterran Corporation Stock Award"). The number of shares of Archrock's common stock subject to the adjusted Archrock Stock Award will equal the number of shares of Archrock's common stock subject to the Archrock Stock Award immediately prior to the adjustment. The number of shares of Exterran Corporation's common stock subject to the new Exterran Corporation Stock Award will equal (i) the number of shares of Archrock's common stock subject to the Archrock Stock Award immediately prior to the adjustment multiplied by (ii) the Distribution Ratio.

Archrock Stock Awards Granted During 2015 to Exterran Corporation Employees

Each Archrock Stock Award that was granted in calendar year 2015 and that is outstanding as of the distribution date and which is held by an Exterran Corporation Employee will be adjusted through conversion into an Exterran Corporation Stock Award. The number of shares of common stock subject to each Exterran Corporation Stock Award will equal the product of (i) the number of shares of Archrock's common stock subject to the Archrock Stock Award immediately prior to the adjustment and (ii) the Exterran Corporation Conversion Ratio.

Archrock Stock Awards Granted During 2015 to Archrock Employees

Each Archrock Stock Award that was granted in calendar year 2015 and that is outstanding as of the distribution date and which is held by an Archrock Employee will be adjusted to cover a number of Archrock shares equal to the product of (i) the number of shares of Archrock common stock subject to the Archrock Stock Award immediately prior to the adjustment and (ii) the Archrock Conversion Ratio.

General Terms of Post-Distribution Stock Options and Stock Awards

The adjusted Archrock Stock Awards and Archrock Options (collectively, "Archrock Awards") and the Exterran Corporation Stock Awards and Exterran Corporations Options (collectively, "Exterran Corporation Awards") generally will be subject to the same terms and conditions, including the same vesting provisions (including any accelerated vesting) and, if applicable, performance conditions, as applied to the corresponding Archrock Awards, as applicable, immediately prior to the adjustment. Following the adjustment, in the case of Archrock Awards that are converted into both adjusted

Archrock Awards and Exterran Corporation Awards, continued employment with or service to Archrock or its affiliates will be treated as employment or other continued service with Exterran Corporation and its affiliates with respect to Exterran Corporation Awards held by Archrock Employees, and continued employment with or other service to Exterran Corporation and its affiliates will be treated as employment or other continued service with Archrock and its affiliates with respect to Archrock Awards held by Exterran Corporation Employees.

Notwithstanding the foregoing, with respect to any unvested Exterran Corporation Award or unvested Archrock Award granted or adjusted, as applicable, in connection with the distribution, if the original Archrock Award was subject to accelerated vesting provisions in connection with a termination of service with Archrock and/or a "Corporate Change" (as defined in the applicable award agreements or equity plan) of Archrock, then the Exterran Corporation Award or Archrock Award, as applicable, will be subject to the same acceleration provisions in connection with the holder's termination of service with his or her post-spin employer, Archrock or Exterran Corporation, as applicable, and/or Corporate Change of such entity. In addition, any unvested Exterran Corporation Award granted to an Archrock Employee in connection with the distribution will vest in full upon a Corporate Change of Exterran Corporation, and any unvested Archrock Award held by an Exterran Corporation Employee that is adjusted in connection with the distribution will vest in full upon a Corporate Change of Archrock. Additionally, if, following the distribution, the board of directors of Exterran Corporation or Archrock, as applicable, determines to accelerate in full the vesting of all of such entity's equity awards that are held by its current and former service providers, then such board of directors shall also accelerate in full the vesting of all of its equity awards that are held by current and former service providers of the other entity, Exterran Corporation or Archrock, as applicable.

Spin-Off Conditions and Termination

We expect that the spin-off will be effective on , 2015, provided that, among other things:

- the SEC has declared effective our Registration Statement on Form 10, of which this information statement is a part, under the Exchange Act, with no stop order in effect with respect to the Form 10, and this information statement has been mailed to Exterran Holdings' shareholders;
- the actions and filings necessary under securities and blue sky laws of the states of the U.S. and any comparable laws under any foreign jurisdictions have been taken and become effective;
- no order, injunction, decree or regulation issued by any court or agency of competent jurisdiction or other legal restraint or prohibition preventing the completion of the spin-off is in effect and no other event outside Exterran Holdings' control has occurred or failed to occur that prevents the completion of the spin-off;
- our common stock has been approved for listing on the NYSE, subject to official notice of issuance;
- Exterran Holdings has received an opinion from its tax counsel regarding the tax treatment of the spin-off as of the distribution date (see "—Material U.S. Federal Income Tax Consequences of the Spin-Off" for more information regarding the opinion of tax counsel);
- the separation and distribution agreement and each of the ancillary agreements related to the spin-off have been entered into before the spin-off and have not been materially breached by any party thereto;

- the separation and distribution agreement and each of the ancillary agreements entered into before the spin-off have not been terminated and will not violate, conflict with or result in a breach of any law or any material agreements of Exterran Holdings;
- EESLP has entered into the new credit facility;
- the contribution of EESLP to Exterran Corporation will have been completed and be effective;
- all material governmental approvals and material consents to be received by Exterran Holdings necessary to consummate the spin-off have been received and continue to be in full force and effect; and
- no other events or developments have occurred that, in the judgment of the board of directors of Exterran Holdings, in its sole and absolute discretion, would result in the spin-off having a material adverse effect on Exterran Holdings or its shareholders.

Exterran Holdings may waive one or more of these conditions in its sole and absolute discretion, and the determination by Exterran Holdings regarding the satisfaction of these conditions will be conclusive. The fulfillment of these conditions will not create any obligation on Exterran Holdings' part to effect the distribution, and Exterran Holdings has reserved the right to amend, modify or abandon any and all terms of the distribution and the related transactions at any time prior to the distribution date.

In the event Exterran Holdings waives or modifies any of the conditions to the consummation of the spin-off in a manner that would have a material effect on the recipients of our common stock in the spin-off, we will amend and redistribute this information statement to disclose such modification or waiver and any material effect on the recipients of our common stock. We currently anticipate that if any of the conditions to the spin-off are not met or waived by Exterran Holdings, the spin-off will not take place.

Material U.S. Federal Income Tax Consequences of the Spin-Off

The following is a summary of the material U.S. federal income tax consequences to Exterran Holdings and to U.S. Holders (as defined below) of shares of Exterran Holdings common stock in connection with the spin-off. This summary is based on the Code, the U.S. Treasury Regulations promulgated thereunder and judicial and administrative interpretations thereof, in effect as of the date hereof, and all of which are subject to change at any time, possibly with retroactive effect. Any such change could affect the tax consequences described below. References to "Exterran Holdings" in this section means Archrock following the spin-off.

For purposes of this discussion, a U.S. Holder is a beneficial owner of Exterran Holdings common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more United States persons (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

This summary also does not discuss all tax considerations that may be relevant to holders in light of their particular circumstances, nor does it address the consequences to holders subject to special treatment under the U.S. federal income tax laws, such as:

- dealers or brokers in securities, commodities or currencies;
- tax-exempt organizations;
- banks, insurance companies or other financial institutions;
- mutual funds;
- regulated investment companies and real estate investment trusts;
- a corporation that accumulates earnings to avoid U.S. federal income tax;
- holders who hold individual retirement or other tax-deferred accounts;
- holders who acquired shares of Exterran Holdings common stock pursuant to the exercise of stock options or otherwise as compensation;
- holders who own, or are deemed to own, at least 10% or more, by voting power or value, of Exterran Holdings equity;
- holders who hold Exterran Holdings common stock as part of a hedge, appreciated financial position, straddle, constructive sale, conversion transaction or other risk reduction transaction;
- traders in securities who elect to apply a mark-to-market method of accounting;
- holders who have a functional currency other than the U.S. dollar;
- holders who are subject to the alternative minimum tax; or
- partnerships or other pass-through entities or investors in such entities.

This summary does not address the U.S. federal income tax consequences to Exterran Holdings shareholders who do not hold shares of Exterran Holdings common stock as a capital asset or to Exterran Holdings shareholders who are not U.S. Holders. Moreover, this summary does not address any state, local or foreign tax consequences or any estate, gift or other non-income tax consequences.

If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds shares of Exterran Holdings common stock, the tax treatment of a partner in that partnership will generally depend on the status of the partner and the activities of the partnership. Partners in a partnership holding Exterran Holdings common stock should consult their own tax advisors regarding the tax consequences of the distribution.

EXTERRAN HOLDINGS SHAREHOLDERS ARE ENCOURAGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE DISTRIBUTION.

Distribution

Exterran Holdings expects to obtain an opinion of Latham & Watkins LLP substantially to the effect that, for U.S. federal income tax purposes, (i) the internal distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, and (ii) the distribution should qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, subject to certain qualifications and limitations. Accordingly, for U.S. federal income tax purposes:

- no material gain or loss should be recognized by Exterran Holdings as a result of the internal distribution or the distribution;

- no gain or loss should be recognized by, or be includible in the income of, a U.S. Holder of Exterran Holdings common stock, solely as a result of the receipt of Exterran Corporation common stock in the distribution;

- the aggregate tax basis of the shares of Exterran Holdings common stock and shares of Exterran Corporation common stock in the hands of a U.S. Holder of Exterran Holdings common stock immediately after the distribution should be the same as the aggregate tax basis of the shares of Exterran Holdings common stock held by the holder immediately before the distribution, allocated between the shares of Exterran Holdings common stock and shares of Exterran Corporation common stock, including any fractional share interest for which cash is received, in proportion to their relative fair market values on the date of the distribution;

- the holding period with respect to shares of Exterran Corporation common stock received by a U.S. Holder of Exterran Holdings common stock should include the holding period of its shares of Exterran Holdings common stock; and

- a U.S. Holder of Exterran Holdings common stock who receives cash in lieu of a fractional share of Exterran Corporation common stock in the distribution will be treated as having sold such fractional share for cash and generally should recognize capital gain or loss in an amount equal to the difference between the amount of cash received and such holder's adjusted tax basis in the fractional share. That gain or loss should be long-term capital gain or loss if the holder's holding period for its shares of Exterran Holdings common stock exceeds one year.

U.S. Treasury regulations generally provide that if a U.S. Holder of Exterran Holdings common stock holds different blocks of Exterran Holdings common stock (generally shares of Exterran Holdings common stock purchased or acquired on different dates or at different prices), the aggregate basis for each block of Exterran Holdings common stock purchased or acquired on the same date and at the same price will be allocated, to the greatest extent possible, between the shares of Exterran Corporation common stock received in the distribution in respect of such block of Exterran Holdings common stock and such block of Exterran Holdings common stock, in proportion to their respective fair market values, and the holding period of the shares of Exterran Corporation common stock received in the distribution in respect of such block of Exterran Holdings common stock will include the holding period of such block of Exterran Holdings common stock, provided that such block of Exterran Holdings common stock was held as a capital asset on the distribution date. If a U.S. Holder of Exterran Holdings common stock is not able to identify which particular shares of Exterran Corporation common stock are received in the distribution with respect to a particular block of Exterran Holdings common stock, for purposes of applying the rules described above, the U.S. Holder may designate which shares of Exterran Corporation common stock are received in the distribution in respect of a particular block of Exterran Holdings common stock, provided that such designation is consistent with the terms of the distribution. Holders of Exterran Holdings common stock are encouraged to consult their own tax advisors regarding the application of these rules to their particular circumstances.

The application of Sections 355 and 368 of the Code to transactions substantially similar to the internal distribution and distribution is highly complex. In addition, there are no court decisions or other authorities directly bearing on the tax treatment of the internal distribution or the distribution under our specific facts, and, as a result, the tax consequences of the internal distribution and the distribution are not free from doubt. The lack of authority and resulting uncertainty described above renders counsel unable to reach a more definitive conclusion than "should" in its opinion. Moreover, holders should note that the opinion that Exterran Holdings expects to receive from Latham & Watkins LLP will be based on certain facts and assumptions, and certain representations and undertakings, from us and Exterran Holdings, and is not binding on the IRS or the courts. If any of the facts, representations, assumptions or undertakings relied upon in the opinion is not correct, is

incomplete or has been violated, our ability to rely on the opinion of counsel could be jeopardized. However, we are not aware of any facts or circumstances that would cause these facts, representations or assumptions to be untrue or incomplete, or that would cause any of these undertakings to fail to be complied with, in any material respect.

If, notwithstanding the conclusions that we expect to be included in the opinion, the distribution is ultimately determined to not qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, Exterran Holdings would recognize a gain in an amount equal to the excess of the fair market value of Exterran Corporation common stock distributed to Exterran Holdings shareholders on the distribution date over Exterran Holdings' tax basis in such shares. In addition, each U.S. Holder who receives shares of Exterran Corporation common stock in the distribution would be treated as receiving a taxable distribution in an amount equal to the fair market value of our common stock that was distributed to the holder. Specifically, the full value of our common stock distributed to a U.S. Holder generally would be treated first as a taxable dividend to the extent of the holder's pro rata share of Exterran Holdings' current and accumulated earnings and profits, then as a non-taxable return of capital to the extent of the holder's basis in the Exterran Holdings stock, and finally as capital gain from the sale or exchange of Exterran Holdings stock with respect to any remaining value.

Moreover, Exterran Holdings could incur significant United States federal income tax liabilities if it is ultimately determined that the internal distribution does not qualify as a reorganization under Sections 355 and 368(a)(1)(D) of the Code.

Even if the internal distribution and distribution each otherwise qualifies as a reorganization under Sections 355 and 368(a)(1)(D) of the Code, the spin-off may result in corporate-level taxable gain to Exterran Holdings under Section 355(e) of the Code if there is a 50% or greater change in ownership, by vote or value, of our stock, Exterran Holdings' stock or stock of a successor of either occurring as part of a plan or series of related transactions that includes the distribution. For this purpose, any acquisitions or issuances of Exterran Holdings' stock within two years before the distribution, and any acquisitions or issuances of Exterran Corporation's stock or Exterran Holdings' stock within two years after the distribution, are generally presumed to be part of such a plan, although we or Exterran Holdings may be able to rebut that presumption. If an acquisition or issuance of our stock or Exterran Holdings stock triggers the application of Section 355(e) of the Code, Exterran Holdings would recognize taxable gain as described above and such gain would be subject to U.S. federal income tax.

Tax Matters Agreement

In connection with the distribution, we and Exterran Holdings will enter into a tax matters agreement pursuant to which we will agree to be responsible for certain liabilities and obligations following the distribution. In general, under the terms of the tax matters agreement, in the event the distribution were to fail to qualify as a transaction that is tax-free under Section 355 of the Code (including as a result of Section 355(e) of the Code) and if such failure were the result of actions taken after the distribution by Archrock or us, the party responsible for such failure would be responsible for all taxes imposed on Exterran Holdings to the extent such taxes result from such actions. If such failure were not the result of actions taken after the distribution by Archrock or us, the parties would each be responsible for 50% of the taxes imposed on Exterran Holdings as a result of such failure. For a more detailed discussion, see "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Tax Matters Agreement." If we are required to indemnify Archrock and its subsidiaries under the circumstances set forth in the tax matters agreement, we may be subject to substantial liabilities.

Information Reporting and Backup Withholding

U.S. Treasury regulations require certain shareholders who receive stock in a distribution to attach to their U.S. federal income tax return for the year in which the distribution occurs a detailed statement setting forth certain information relating to the tax-free nature of the distribution. In addition, payments of cash to an Exterran Holdings shareholder in lieu of fractional shares of Exterran Corporation common stock in the distribution may be subject to information reporting and backup withholding (currently at a rate of 28 percent), unless the shareholder provides proof of an applicable exemption or a correct taxpayer identification number and otherwise complies with the requirements of the backup withholding rules. Backup withholding does not constitute an additional tax, but merely an advance payment, which may be refunded or credited against a shareholder's U.S. federal income tax liability, provided the required information is timely supplied to the IRS.

THE FOREGOING IS A SUMMARY OF THE MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE DISTRIBUTION UNDER CURRENT LAW. THE FOREGOING DOES NOT PURPORT TO ADDRESS ALL U.S. FEDERAL INCOME TAX CONSEQUENCES OR TAX CONSEQUENCES THAT MAY ARISE UNDER THE TAX LAWS OR THAT MAY APPLY TO PARTICULAR CATEGORIES OF SHAREHOLDERS. EACH EXTERRAN HOLDINGS SHAREHOLDER IS ENCOURAGED TO CONSULT ITS OWN TAX ADVISOR AS TO THE PARTICULAR TAX CONSEQUENCES OF THE DISTRIBUTION TO SUCH SHAREHOLDER, INCLUDING THE APPLICATION OF U.S. FEDERAL, STATE, LOCAL AND FOREIGN TAX LAWS, AND THE EFFECT OF POSSIBLE CHANGES IN TAX LAWS THAT MAY AFFECT THE TAX CONSEQUENCES DESCRIBED ABOVE.

Reason for Furnishing this Information Statement

This information statement is being furnished solely to provide information to Exterran Holdings shareholders who will receive shares of our common stock in the spin-off. It is not to be construed as an inducement or encouragement to buy or sell any of our securities or any Exterran Holdings securities. We believe that the information contained in this information statement is accurate as of the date set forth on the front cover. Changes may occur after that date and neither Exterran Holdings nor we undertake any obligation to update the information, except to the extent applicable securities laws require us to do so.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2015 (1) on a historical basis, and (2) on an as adjusted basis to reflect the spin-off and other transactions, including entry into the new credit facility, described under "Unaudited Pro Forma Condensed Combined Financial Statements." This table should be read in conjunction with "Selected Historical Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Condensed Combined Financial Statements" and our combined financial statements and corresponding notes included elsewhere in this information statement.

We are providing the capitalization table below for information purposes only. The capitalization table below may not reflect the capitalization or financial condition that would have resulted had we been operating as a separate, independent entity on June 30, 2015 and is not necessarily indicative of our future capitalization or financial condition.

	June 30, 2015	
(in thousands)	Historical	As Adjusted
Cash and cash equivalents	$ 23,049	$ 23,049
Long-term debt:		
New Revolving Credit Facility	—	306,812
New Term Loan	—	245,000
Capital lease obligations	891	891
Total long-term debt (including current maturities)	$ 891	$ 552,703
Equity(1):		
Common stock, par value $0.01 per share; 250,000,000 shares authorized pro forma; 34,722,737 shares issued and outstanding pro forma	$ —	$ 347
Preferred stock, par value $0.01 per share; 50,000,000 shares authorized pro forma, no shares issued and outstanding	—	—
Additional paid-in-capital	—	962,438
Parent equity	1,482,965	—
Accumulated other comprehensive income	10,073	10,073
Total equity	$ 1,493,038	$ 972,858
Total capitalization	$ 1,493,929	$ 1,525,561

(1) Represents the expected distribution of approximately 34.7 million shares of our common stock to holders of Exterran Holdings common stock based on the number of shares of Exterran Holdings common stock outstanding on June 30, 2015. The actual record date is , 2015.

DIVIDEND POLICY

We do not currently anticipate paying cash dividends on our common stock. We currently intend to retain our future earnings to support the growth and development of our business. The declaration of any future cash dividends and, if declared, the amount of any such dividends, will be subject to our financial condition, earnings, capital requirements, financial covenants, applicable law and other factors our board of directors deems relevant. In addition, the credit agreement relating to the new credit facility includes restrictions on our ability to pay dividends. Our board of directors may take into account such matters as general business conditions, industry practice, our financial condition and performance, our future prospects, our cash needs and capital investment plans, income tax consequences, applicable law and such other factors as our board of directors may deem relevant. See "Risk Factors—Risks Relating to Ownership of Our Common Stock—Although Archrock has paid dividends on its common stock in the past, we do not currently anticipate paying cash dividends on our common stock and cannot assure you that we will pay dividends on our common stock in the future, and our indebtedness could limit our ability to pay dividends on our common stock." For a discussion of the covenants contained in the credit agreement, please see "Description of Material Indebtedness."

SELECTED HISTORICAL COMBINED FINANCIAL DATA

The following tables present the selected financial information of Exterran Holdings' historical international contract operations and global fabrication reporting segments and the international component of Exterran Holdings' aftermarket services reporting segment reflected in its historical financial statements discussed herein and included elsewhere in this information statement. We refer to the global fabrication business currently operated by Exterran Holdings as our product sales business. The balance sheet data as of December 31, 2014 and 2013 and the statements of operations data for each of the years ended December 31, 2014, 2013 and 2012 are derived from our audited combined financial statements included elsewhere in this information statement. The balance sheet data as of December 31, 2012, 2011 and 2010 and the statements of operations data for each of the years ended December 31, 2011 and 2010 are derived from our unaudited combined financial statements that are not included in this information statement. The balance sheet data as of June 30, 2015 and the statements of operations data for each of the six months ended June 30, 2015 and 2014 are derived from our unaudited combined financial statements included elsewhere in this information statement. The balance sheet data as of June 30, 2014 is derived from our unaudited combined financial statements that are not included in this information statement. Management believes that the unaudited combined financial statements have been prepared on the same basis as the audited combined financial statements and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the information for the periods presented. Results for the interim periods may not necessarily be indicative of results for the full year. The results from continuing operations for all periods presented exclude the results of our Venezuelan contract operations business and our Canadian Operations. Those results are reflected in discontinued operations for all periods presented.

The selected historical combined financial information presented below should be read in conjunction with our combined financial statements and accompanying notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this information statement. The financial information may not be indicative of our future performance and does not necessarily reflect the financial position and results of operations we would have realized had we operated as a separate, stand-alone entity during the periods presented, including changes that will occur in our operations as a result of our spin-off from Exterran Holdings.

	Years Ended December 31,					Six Months Ended June 30,	
	2014	2013	2012	2011	2010	2015	2014
(in thousands)							
Statement of Operations Data:							
Revenues	$ 2,172,754	$ 2,415,473	$ 2,068,724	$ 1,840,357	$ 1,661,735	$ 1,014,691	$ 1,023,826
Gross margin(1)	596,869	583,516	484,606	416,631	475,158	267,219	287,701
Selling, general and administrative	267,493	264,890	269,812	259,562	246,888	114,330	134,691
Depreciation and amortization	173,803	140,029	167,499	171,301	200,734	75,581	95,157
Long-lived asset impairment	3,851	11,941	5,197	352	12,286	10,489	—
Restructuring and other charges	—	—	3,892	7,131	—	10,547	—
Goodwill impairment	—	—	—	164,813	—	—	—
Interest expense	1,905	3,551	5,318	4,373	7,397	826	848
Equity in (income) loss of non-consolidated affiliates	(14,553)	(19,000)	(51,483)	471	609	(10,068)	(9,602)
Other (income) expense, net	7,222	(1,966)	5,638	(313)	(10,328)	11,878	(4,966)
Provision for income taxes	77,833	97,367	26,226	31,148	19,936	26,802	39,641
Income (loss) from continuing operations	79,315	86,704	52,507	(222,207)	(2,364)	26,834	31,932
Income (loss) from discontinued operations, net of tax	73,198	66,149	66,843	(10,105)	40,739	19,122	36,597
Net income (loss)	152,513	152,853	119,350	(232,312)	38,375	45,956	68,529
Other Financial Data:							
EBITDA, as adjusted(1)	$ 326,729	$ 324,905	$ 216,562	$ 171,556	$ 227,480	$ 149,010	$ 155,094
Capital expenditures:							
Contract Operations Equipment:							
Growth	$ 97,931	$ 36,468	$ 107,658	$ 35,846	$ 83,641	$ 53,811	$ 41,331
Maintenance	24,377	21,591	22,530	14,369	15,002	14,586	9,507
Other	35,546	42,136	34,602	32,332	21,901	14,274	16,129
Balance Sheet Data:							
Cash and cash equivalents	$ 39,361	$ 35,194	$ 34,167	$ 21,454	$ 43,752	$ 23,049	$ 53,762
Working capital	481,596	372,186	347,762	356,898	324,395	533,495	469,062
Property, plant and equipment, net	954,811	965,196	1,031,928	1,007,685	1,099,685	952,385	957,812
Total assets	2,032,823	1,999,211	2,133,502	2,153,944	2,457,704	1,979,273	2,037,196
Long-term debt	1,107	1,539	—	140	55	891	1,332
Total equity	1,451,822	1,373,904	1,407,394	1,450,828	1,648,095	1,493,038	1,466,809

(1) Gross margin and EBITDA, as adjusted, are non-GAAP financial measures. Each of these Non-GAAP financial measures is defined, reconciled to net income (loss) and discussed further below under "Non-GAAP Financial Measures."

Non-GAAP Financial Measures

We define gross margin as total revenue less cost of sales (excluding depreciation and amortization expense). Gross margin is included as a supplemental disclosure because it is a primary measure used by our management to evaluate the results of revenue and cost of sales (excluding depreciation and amortization expense), which are key components of our operations. We believe gross margin is important because it focuses on the current operating performance of our operations and excludes the impact of the prior historical costs of the assets acquired or constructed that are utilized in those operations, the indirect costs associated with our selling, general and administrative, or SG&A activities, the impact of our financing methods and income taxes. Depreciation and amortization expense may not accurately reflect the costs required to maintain and replenish the operational usage of our assets and therefore may not portray the costs from current operating activity. As an indicator of our operating performance, gross margin should not be considered an alternative to, or more meaningful than, net income (loss) as determined in accordance with accounting principles generally accepted in the U.S., or GAAP. Our gross margin may not be comparable to a similarly titled measure of another company because other entities may not calculate gross margin in the same manner.

Gross margin has certain material limitations associated with its use as compared to net income (loss). These limitations are primarily due to the exclusion of interest expense, depreciation and

amortization expense, SG&A expense, impairments and restructuring and other charges. Each of these excluded expenses is material to our combined statements of operations. Because we intend to finance a portion of our operations through borrowings, interest expense is a necessary element of our costs and our ability to generate revenue. Additionally, because we use capital assets, depreciation expense is a necessary element of our costs and our ability to generate revenue, and SG&A expenses are necessary to support our operations and required corporate activities. To compensate for these limitations, management uses this non-GAAP measure as a supplemental measure to other GAAP results to provide a more complete understanding of our performance.

The following table reconciles our net income (loss) to gross margin (in thousands):

	Years Ended December 31,					Six Months Ended June 30,		Pro Forma	
	2014	2013	2012	2011	2010	2015	2014	Six Months Ended June 30, 2015	Year Ended December 31, 2014
Net income (loss)	$ 152,513	$ 152,853	$ 119,350	$ (232,312)	$ 38,375	$ 45,956	$ 68,529	$ 36,669	$ 134,330
Selling, general and administrative	267,493	264,890	269,812	259,562	246,888	114,330	134,691	114,330	267,493
Depreciation and amortization	173,803	140,029	167,499	171,301	200,734	75,581	95,157	75,581	173,803
Long-lived asset impairment	3,851	11,941	5,197	352	12,286	10,489	—	10,489	3,851
Restructuring and other charges	—	—	3,892	7,131	—	10,547	—	10,547	—
Goodwill impairment	—	—	—	164,813	—	—	—	—	—
Interest expense	1,905	3,551	5,318	4,373	7,397	826	848	17,369	35,021
Equity in (income) loss of non-consolidated affiliates	(14,553)	(19,000)	(51,483)	471	609	(10,068)	(9,602)	(10,068)	(14,553)
Other (income) expense, net	7,222	(1,966)	5,638	(313)	(10,328)	11,878	(4,966)	11,878	7,222
Provision for income taxes	77,833	97,367	26,226	31,148	19,936	26,802	39,641	21,802	68,042
(Income) loss from discontinued operations, net of tax	(73,198)	(66,149)	(66,843)	10,105	(40,739)	(19,122)	(36,597)	(19,122)	(73,198)
Gross margin	$ 596,869	$ 583,516	$ 484,606	$ 416,631	$ 475,158	$ 267,219	$ 287,701	$ 269,475	$ 602,011

We define EBITDA, as adjusted, as net income (loss) excluding income (loss) from discontinued operations (net of tax), cumulative effect of accounting changes (net of tax), income taxes, interest expense (including debt extinguishment costs and gain or loss on termination of interest rate swaps), depreciation and amortization expense, impairment charges, restructuring and other charges, non-cash gains or losses from foreign currency exchange rate changes recorded on intercompany obligations, expensed acquisition costs and other items. We believe EBITDA, as adjusted, is an important measure of operating performance because it allows management, investors and others to evaluate and compare our core operating results from period to period by removing the impact of our capital structure (interest expense from our outstanding debt), asset base (depreciation and amortization), our subsidiaries' capital structure (non-cash gains or losses from foreign currency exchange rate changes on intercompany obligations), tax consequences, impairment charges, restructuring and other charges, expensed acquisition costs and other items. Management uses EBITDA, as adjusted, as a supplemental measure to review current period operating performance, comparability measures and performance measures for period to period comparisons. Our EBITDA, as adjusted, may not be comparable to a similarly titled measure of another company because other entities may not calculate EBITDA in the same manner.

EBITDA, as adjusted, is not a measure of financial performance under GAAP, and should not be considered in isolation or as an alternative to net income (loss), cash flows from operating activities and other measures determined in accordance with GAAP. Items excluded from EBITDA, as adjusted,

are significant and necessary components to the operations of our business, and, therefore, EBITDA, as adjusted, should only be used as a supplemental measure of our operating performance.

The following table reconciles our net income (loss) to EBITDA, as adjusted (in thousands):

	Years Ended December 31,					Six Months Ended June 30,		Pro Forma	
	2014	2013	2012	2011	2010	2015	2014	Six Months Ended June 30, 2015	Year Ended December 31, 2014
Net income (loss)	$ 152,513	$ 152,853	$ 119,350	$ (232,312)	$ 38,375	$ 45,956	$ 68,529	$ 36,669	$ 134,330
(Income) loss from discontinued operations, net of tax	(73,198)	(66,149)	(66,843)	10,105	(40,739)	(19,122)	(36,597)	(19,122)	(73,198)
Depreciation and amortization	173,803	140,029	167,499	171,301	200,734	75,581	95,157	75,581	173,803
Long-lived asset impairment	3,851	11,941	5,197	352	12,286	10,489	—	10,489	3,851
Restructuring and other charges	—	—	3,892	7,131	—	10,547	—	10,547	—
Goodwill impairment	—	—	—	164,813	—	—	—	—	—
Investment in non-consolidated affiliates impairment	197	—	224	471	609	—	197	—	197
Proceeds from sale of joint venture assets	(14,750)	(19,000)	(51,707)	—	—	(10,068)	(9,799)	(10,068)	(14,750)
Interest expense	1,905	3,551	5,318	4,373	7,397	826	848	17,369	35,021
(Gain) loss on currency exchange rate remeasurement of intercompany balances	3,614	4,313	7,406	14,174	(6,255)	7,999	(2,882)	7,999	3,614
Gain on sale of our investment in the subsidiary that owns the barge mounted processing plant and other related assets used on the Cawthorne Channel Project	—	—	—	—	(4,863)	—	—	—	—
Loss on sale of businesses	961	—	—	—	—	—	—	—	961
Provision for income taxes	77,833	97,367	26,226	31,148	19,936	26,802	39,641	21,802	68,042
EBITDA, as adjusted	$ 326,729	$ 324,905	$ 216,562	$ 171,556	$ 227,480	$ 149,010	$ 155,094	$ 151,266	$ 331,871

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The unaudited pro forma condensed combined financial statements have been derived from our historical combined financial statements included in this information statement and are not intended to be a complete presentation of our financial position or results of operations had the transactions contemplated by the spin-off and related agreements occurred as of and for the periods indicated. In addition, the unaudited pro forma condensed combined financial statements are provided for illustrative and informational purposes only and are not necessarily indicative of our future results of operations or financial condition as an independent, publicly traded company. The pro forma adjustments are based upon available information and assumptions that management believes are reasonable, that reflect the expected impacts of events directly attributable to the spin-off and related transaction agreements and that are factually supportable, and for purposes of the statement of operations, are expected to have a continuing impact on us. However, such adjustments are subject to change based on the finalization of the terms of the spin-off and related agreements.

The unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2015 and for the year ended December 31, 2014 reflects our results as if the spin-off and related transactions described below had occurred on January 1, 2014. The unaudited pro forma condensed combined balance sheet as of June 30, 2015 reflects our financial position as if the spin-off and related transactions described below had occurred as of such date.

The unaudited pro forma condensed combined financial statements should be read in conjunction with "Capitalization," "Selected Historical Combined Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Certain Relationships and Related Transactions" and the combined financial statements and accompanying notes included elsewhere in this information statement.

The unaudited pro forma condensed combined financial statements give effect to the following:

- the incurrence of $306.8 million of borrowings under the new revolving credit facility, the incurrence of $245.0 million in indebtedness in the form of the new term loan and a transfer of $539.0 million of the proceeds from such borrowings to Exterran Holdings;
- the impact of the separation and distribution agreement, supply agreement, services agreement, employee matters agreement, tax matters agreement and transition services agreement between Archrock and us and the provisions contained therein; and
- the distribution of approximately 34.7 million shares of our common stock to Exterran Holdings' shareholders (based on the number of shares of Exterran Holdings common stock outstanding as of June 30, 2015).

As of June 30, 2015, Exterran Holdings and its subsidiaries (other than Exterran Partners and its subsidiaries) had approximately $707 million of debt outstanding, including approximately $357 million of outstanding borrowings under its existing credit facility. Subsequent to June 30, 2015 and prior to the completion of the spin-off, Exterran Holdings expects to incur additional borrowings under its existing credit facility of between $40 million and $50 million to finance expenses related to the completion of the spin-off and related financing transactions, which will increase the amount we borrow under our new credit facility and transfer to Exterran Holdings.

Pursuant to the separation and distribution agreement, in connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive payments based on a notional amount corresponding to payments received by our subsidiaries from PDVSA Gas in respect of the sale of our previously nationalized assets promptly after our subsidiaries collect such amounts until Archrock's subsidiary has received an aggregate amount of such payments equal to the lesser of (x) $150.0 million, less the aggregate amount of installment payments received from PDVSA Gas by

Exterran Holdings and its subsidiaries after August 31, 2015 but before the completion of the spin-off, plus the aggregate amount of all reimbursable expenses incurred by Archrock and its subsidiaries in connection with recovering any default installment payments directly from PDVSA Gas following the completion of the spin-off or (y) $150.0 million. The unaudited pro forma condensed combined balance sheet does not reflect this contingent liability to Archrock.

In addition, pursuant to the separation and distribution agreement, EESLP will use its commercially reasonable efforts to complete one or more unsecured debt offerings or equity issuances resulting in aggregate gross cash proceeds of at least $250.0 million on the terms described in the credit agreement (such transaction, a "qualified capital raise") on or before the maturity date of our $245.0 million term loan facility, which is currently expected to be the second anniversary of the completion of the spin-off or as soon as practicable thereafter. In connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive, promptly following the occurrence of a qualified capital raise, a $25.0 million cash payment. The unaudited pro forma condensed combined balance sheet does not reflect this contingent liability to Archrock.

Following the completion of the spin-off, we expect to incur one-time expenditures ranging from approximately $10.0 million to $15.0 million consisting primarily of costs to start up certain stand-alone functions and other one-time transaction related costs. The unaudited pro forma condensed combined financial statements may also not reflect all of the costs of operating as a stand-alone public company, including potentially increased expenses related to, among others, internal audit, treasury, risk management, investor relations, tax, legal and corporate secretary functions as well as the annual expenses associated with running an independent publicly traded company including listing fees, compensation of non-employee directors and related board of director fees, and other fees and expenses related to insurance, legal and external audit. Only costs that management has determined are factually supportable and recurring are included as pro forma adjustments, including items described above. Incremental costs and expenses associated with operating as a stand-alone company are not reflected in the accompanying pro forma condensed combined statements of income. However, our efforts to reduce SG&A costs in 2015 in response to market conditions are expected to result in lower SG&A expenses and the savings from these initiatives are expected to offset the increase in costs due to being a stand-alone public company.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
(in thousands)

	June 30, 2015			
	Historical	Pro Forma Adjustments		Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	$ 23,049	$ —	(A)	$ 23,049
Restricted cash	1,490			1,490
Accounts receivable, net	353,803			353,803
Inventory, net	288,124			288,124
Costs and estimated earnings in excess of billings on uncompleted contracts	128,261			128,261
Current deferred income taxes	49,417	(14,878)	(B)	34,539
Other current assets	58,632			58,632
Current assets associated with discontinued operations	397			397
Total current assets	903,173	(14,878)		888,295
Property, plant and equipment, net	952,385			952,385
Intangible and other assets, net	123,715	46,510	(B)(C)	170,225
Total assets	$ 1,979,273	$ 31,632		$ 2,010,905
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable, trade	$ 123,095	$		$ 123,095
Accrued liabilities	131,471			131,471
Deferred revenue	53,333			53,333
Billings on uncompleted contracts in excess of costs and estimated earnings	61,010			61,010
Current liabilities associated with discontinued operations	769			769
Total current liabilities	369,678			369,678
Long-term debt	891	551,812	(C)	552,703
Deferred income taxes	38,697			38,697
Long-term deferred revenue	49,070			49,070
Other long-term liabilities	27,745			27,745
Long-term liabilities associated with discontinued operations	154			154
Total liabilities	486,235	551,812		1,038,047
Commitments and contingencies				
Equity:				
Parent equity	1,482,965	(1,482,965)	(D)(E)	—
Accumulated other comprehensive income	10,073			10,073
Common stock	—	347	(E)	347
Additional paid-in capital	—	962,438	(E)	962,438
Total equity	1,493,038	(520,180)		972,858
Total liabilities and equity	$ 1,979,273	$ 31,632		$ 2,010,905

See accompanying notes to unaudited pro forma condensed combined financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
(in thousands, except per share amounts)

	Six Months Ended June 30, 2015			
	Historical	Pro Forma Adjustments		Pro Forma
Revenues:				
Contract operations	$ 235,941	$		$ 235,941
Aftermarket services	70,275			70,275
Product sales	708,475	28,201	(F)	736,676
Total revenues	$ 1,014,691	$ 28,201		$ 1,042,892
Costs and expenses:				
Cost of sales (excluding depreciation and amortization expense):				
Contract operations	89,084			89,084
Aftermarket services	49,484			49,484
Product sales	608,904	25,945	(F)	634,849
Selling, general and administrative	114,330			114,330
Depreciation and amortization	75,581			75,581
Long-lived asset impairment	10,489			10,489
Restructuring and other charges	10,547			10,547
Interest expense	826	16,543	(G)	17,369
Equity in income of non-consolidated affiliates	(10,068)			(10,068)
Other (income) expense, net	11,878			11,878
	961,055	42,488		1,003,543
Income before income taxes	53,636	(14,287)		39,349
Provision for income taxes	26,802	(5,000)	(H)	21,802
Income from continuing operations	$ 26,834	$ (9,287)		$ 17,547
Basic income per common share:				
Income from continuing operations			(I)	$ 0.51
Diluted income per common share:				
Income from continuing operations			(J)	$ 0.51
Weighted average common shares outstanding used in income per common share:				
Basic			(I)	34,191
Diluted			(J)	34,334

See accompanying notes to unaudited pro forma condensed combined financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
(in thousands, except per share amounts)

	Year Ended December 31, 2014			
	Historical	Pro Forma Adjustments		Pro Forma
Revenues:				
Contract operations	$ 493,853	$		$ 493,853
Aftermarket services	162,724			162,724
Product sales	1,516,177	64,277	(F)	1,580,454
Total revenues	$ 2,172,754	$ 64,277		$ 2,237,031
Costs and expenses:				
Cost of sales (excluding depreciation and amortization expense):				
Contract operations	185,408			185,408
Aftermarket services	120,181			120,181
Product sales	1,270,296	59,135	(F)	1,329,431
Selling, general and administrative	267,493			267,493
Depreciation and amortization	173,803			173,803
Long-lived asset impairment	3,851			3,851
Interest expense	1,905	33,116	(G)	35,021
Equity in income of non-consolidated affiliates	(14,553)			(14,553)
Other (income) expense, net	7,222			7,222
	2,015,606	92,251		2,107,857
Income before income taxes	157,148	(27,974)		129,174
Provision for income taxes	77,833	(9,791)	(H)	68,042
Income from continuing operations	$ 79,315	$ (18,183)		$ 61,132
Basic income per common share:				
Income from continuing operations			(I)	$ 1.85
Diluted income per common share:				
Income from continuing operations			(J)	$ 1.77
Weighted average common shares outstanding used in income per common share:				
Basic			(I)	33,117
Diluted			(J)	34,545

See accompanying notes to unaudited pro forma condensed combined financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

(A) Reflects the following adjustments to cash and cash equivalents (in thousands):

Cash received from incurrence of indebtedness under our new credit facility (see note (C))	$ 538,993
Cash transferred to Exterran Holdings (see note (D))	(538,993)
Cash pro forma adjustment	$ —

(B) Reflects the impact of changes in both current and long-term deferred tax assets related to foreign tax credits and U.S. net operating losses allocated from Archrock as a result of the spin-off. An adjustment of $116.7 million was made to increase gross deferred tax assets to account for changing from the separate return, stand-alone basis, where we had no U.S. net operating losses and were utilizing foreign tax credits, to the actual June 30, 2015 balance of Exterran Holdings that would have transferred to us if the spin-off had occurred on such date.

An adjustment was made to reflect a valuation allowance against the increased gross foreign tax credit deferred tax assets of $97.9 million as we do not consider it to be more-likely-than-not that we will generate sufficient overall U.S. taxable income and foreign source taxable income in the future to allow us to use the foreign tax credits before they ultimately expire. The negative evidence considered was lower forecasted overall U.S. taxable income and lower foreign source taxable income due to overall domestic losses predominantly allocated to Archrock and virtually all of the overall foreign losses allocated to us pursuant to the consolidated return regulations.

The valuation allowance associated with foreign tax credit deferred tax assets has been allocated between current and long-term deferred tax assets on a pro rata basis. The net $18.8 million adjustment is reflected as a decrease to current deferred tax assets of $14.9 million and an increase to long-term deferred tax assets of $33.7 million which is reflected in intangible and other assets, net, in our unaudited pro forma condensed combined balance sheet.

(C) In connection with the spin-off, we expect that EESLP will incur approximately $245.0 million in indebtedness in the form of the new term loan and $306.8 million in indebtedness under the new revolving credit facility. If the spin-off had occurred on June 30, 2015, we would have received approximately $539.0 million of net proceeds from borrowings under our new credit facility, net of approximately $12.8 million in financing fees and expenses incurred in connection with these borrowings.

(D) Reflects the use of proceeds of the new term loan and borrowings under the new revolving credit facility in connection with the spin-off (see note (C)), approximately $539.0 million of which would have been transferred to Exterran Holdings, had the spin-off occurred on June 30, 2015, to allow it to repay a portion of its indebtedness.

(E) Represents the reclassification of the net investment of Exterran Holdings in us, which was recorded in parent company equity, into shares of our common stock and additional paid-in capital and the balancing entry to reflect approximately 34.7 million outstanding shares of common stock at a par value of $0.01 per share. We have assumed shares being distributed to holders of Exterran Holdings common shares, based on approximately 69.4 million outstanding shares of Exterran Holdings common shares outstanding at June 30, 2015, at a distribution ratio of one share of our

common stock for every two shares of Exterran Holdings common stock. The components of the adjustment are listed below (in thousands):

Parent equity at June 30, 2015	$ 1,482,965
Tax adjustment (see note (B))	18,813
Cash transferred to Exterran Holdings	(538,993)
Adjustment for par value of common stock	(347)
Adjustment to additional paid-in capital	$ 962,438

(F) Reflects the effect of the supply agreement that we will enter into with Archrock in connection with the spin-off. The revenue adjustment reflects the additional revenue, including a contractual margin provided within the supply agreement, that we would have recorded for products fabricated and sold to Exterran Holdings during the six months ended June 30, 2015 and the year ended December 31, 2014 under the supply agreement, if it were in effect on January 1, 2014. The cost of sales adjustment reflects the amounts that have been presented in historical periods as a reduction of parent equity in balance sheet and a distribution to parent in the statement of cash flows.

(G) Represents the incremental interest expense, including amortization of deferred financing costs, related to the borrowings expected to be incurred under our new credit facility in connection with the spin-off. The incremental interest expense attributable to the new term loan assumes an annual interest rate of 6.75% on total indebtedness of $245.0 million, and the new revolving credit facility, with an expected borrowing capacity of $680.0 million, assumes a LIBOR rate of approximately 0.2%, an applicable margin of 2.75% and commitment fees of 0.3% on indebtedness of $306.8 million and letters of credit outstanding of $91.4 million. The interest rates for pro forma purposes are based on assumptions of the rates to be effective on the completion of the spin-off. A one-eighth percent change in assumed interest rates for our new credit facility would have a pro forma impact of $0.7 million annually. Amortization of deferred financing costs assumes the capitalization of debt issuance costs of $12.8 million which will be amortized on a straight-line basis over the terms of our new credit facility, which approximates the effective interest method. The components of the adjustment to interest expense are listed below (in thousands):

	Six Months Ended June 30, 2015	Year Ended December 31, 2014
Interest expense on the new term loan	$ 8,269	$ 16,538
Interest expense on the new revolving credit facility	6,141	12,313
Amortization of deferred financing costs under new credit facility	2,133	4,265
Interest expense adjustment	$ 16,543	$ 33,116

(H) Represents the tax effect of pro forma adjustments to income before income taxes, adjusted for nondeductible spin-off costs, using the U.S. federal statutory rate of 35% for the period presented.

(I) The pro forma weighted-average number of approximately 34,191,000 shares and 33,117,000 shares used to compute pro forma basic net income per share for the six months ended June 30, 2015 and for the year ended December 31, 2014, respectively, are based on the weighted-average number of Exterran Holdings shares outstanding for the six months ended June 30, 2015 and for the year ended December 31, 2014, respectively, applying a distribution ratio of one share of our common stock for every two shares of Exterran Holdings common stock outstanding.

(J) The pro forma weighted-average number of shares of our common stock used to compute pro forma diluted net income per share is based on the weighted average number of basic shares of our common stock as described in note (I) above, plus incremental shares assuming exercise of dilutive outstanding options and restricted stock awards granted to our employees under Exterran Holdings' stock-based compensation plans. The actual effect of the dilution following the completion of the spin-off will depend on various factors, including the employment of our personnel in one company or the other and the value of the equity awards at the time of distribution, and accordingly we cannot fully estimate the dilutive effects at this time.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Combined Financial Statements, the notes thereto, and the other financial information appearing elsewhere in this information statement. The following discussion includes forward-looking statements that involve certain risks and uncertainties. See "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" in this information statement.

Spin-off from Exterran Holdings

On November 17, 2014, Exterran Holdings announced a plan to separate its international services and global fabrication businesses into an independent, publicly traded company ("Exterran Corporation", "our", "we" or "us"). We refer to the global fabrication business currently operated by Exterran Holdings as our product sales business. The spin-off is expected to be completed in accordance with a separation and distribution agreement between Archrock and Exterran Corporation. See "Relationship with Archrock After the Spin-Off—Agreements Between Archrock and Us—Separation and Distribution Agreement." To effect the spin-off, Exterran Holdings intends to distribute, on a pro rata basis, all of the shares of Exterran Corporation common stock to Exterran Holdings' stockholders as of the record date for the spin-off. The spin-off is subject to certain conditions, including general economic and market conditions, the receipt of an opinion of counsel as to the tax treatment of the transaction and final approval of the Exterran Holdings' board of directors. See "The Spin-Off—Spin-Off Conditions and Termination." The spin-off will not be subject to a shareholder vote. Upon completion of the spin-off, Archrock and Exterran Corporation will each be independent, publicly traded companies and will have separate public ownership, boards of directors and management. We expect to complete the spin-off on or about , 2015. However, we cannot assure you that the spin-off will be completed on the anticipated timeline, or at all, or that the terms of the spin-off will not change.

In connection with the separation and distribution agreement, Exterran Corporation will enter into several other agreements with Archrock that will govern the relationship between Exterran Corporation and Archrock after completion of the distribution and provide for the allocation between Exterran Corporation and Archrock of various assets, liabilities, rights and obligations (including employee benefits, insurance and tax-related assets and liabilities). These agreements will also include arrangements with respect to certain services to be provided between Exterran Corporation and Archrock. See "Certain Relationships and Related Transactions" and "Relationship with Archrock After the Spin-off."

Following the completion of the spin-off, we expect to incur one-time expenditures ranging from approximately $10.0 million to $15.0 million consisting primarily of costs to start up certain stand-alone functions and other one-time transaction related costs. Recurring costs of operating as a stand-alone public company include potentially increased expenses related to, among others, internal audit, treasury, risk management, investor relations, tax, legal and corporate secretary functions as well as the annual expenses associated with running an independent publicly traded company including listing fees, compensation of non-employee directors and related board of director fees, and other fees and expenses related to insurance, legal and external audit. Costs of operating as a stand-alone public company that differ from historical allocations may have an impact on our profitability and operating cash flows. However, our efforts to reduce SG&A costs in 2015 in response to market conditions are expected to result in lower SG&A expenses and the savings from these initiatives are expected to offset the increase in costs due to being a stand-alone public company.

Overview

We are a market leader in the provision of compression, production and processing products and services that support the production and transportation of oil and natural gas throughout the world. We provide these products and services to a global customer base consisting of companies engaged in all

aspects of the oil and natural gas industry, including large integrated oil and natural gas companies, national oil and natural gas companies, independent oil and natural gas producers and oil and natural gas processors, gatherers and pipeline operators. We report our results of operations in the following three reporting business segments: contract operations, aftermarket services and product sales.

In our contract operations business we own and operate our fleet of natural gas compression equipment and crude oil and natural gas production and processing equipment on behalf of our customers outside of the United States. These services can include engineering, design, procurement, on-site construction and operation of natural gas compression and crude oil or natural gas production and processing facilities for our customers. Our contract operations business is underpinned by long-term commercial contracts with large customers, including several national oil and natural gas companies, which we believe provides us with relatively stable cash flows due to our exposure to the production phase of oil and gas development, compared to drilling and completion related energy service and product providers. We believe our contract operations services generally allow our customers that outsource their compression or production and processing needs to achieve higher production rates than they would achieve with their own operations, resulting in increased revenue for our customers. In addition, outsourcing allows our customers flexibility for their compression and production and processing needs while limiting their capital requirements. These contracts generally involve initial terms ranging from three to five years, and in some cases in excess of 10 years. In many instances, we are able to renew these contracts prior to the expiration of the initial term; in some cases, we may sell the underlying assets to our customers pursuant to purchase options.

In our aftermarket services business we provide operations, maintenance, overhaul and reconfiguration services outside of the United States to support our customers who own their own compression, production, processing, treating and related equipment. Our services range from routine maintenance services and parts sales to the full operation and maintenance of customer-owned assets. We both seek to couple aftermarket services with our product sales business to provide ongoing services to customers who buy equipment from us and to sell those services to customers who have bought equipment from other companies.

In our product sales business we design, engineer, manufacture, install and sell natural gas compression packages, as well as equipment used in the production, treating and processing of crude oil and natural gas to customers both in the United States and internationally. We also design, engineer, manufacture and install this equipment for use in our contract operations business. In addition, we combine our products into an integrated solution that we design, engineer, procure and, in certain cases, construct on-site for sale to our customers. We believe the expansive range of products we sell through our global platform enables us to take advantage of the ongoing, worldwide energy infrastructure build-out.

Industry Conditions and Trends

Our business environment and corresponding operating results are affected by the level of energy industry spending for the exploration, development and production of oil and natural gas reserves. Spending by oil and natural gas exploration and production companies is dependent upon these companies' forecasts regarding the expected future supply, demand and pricing of oil and natural gas products as well as their estimates of risk-adjusted costs to find, develop and produce reserves. Although we believe our contract operations business is typically less impacted by commodity prices than certain other energy products and service providers, changes in oil and natural gas exploration and production spending normally result in changes in demand for our products and services.

As reported in the BP Energy Outlook 2035, February 2015 edition, global liquids and natural gas consumption are expected to grow annually by approximately 1.2% and 2.6%, respectively, between 2015 and 2020. Global liquids and natural gas consumption are forecast to increase annually by approximately 0.7% and 1.5%, respectively, between 2020 and 2035.

In addition, according to the BP Energy Outlook 2035, February 2015 edition, global liquids and natural gas production are forecast to grow annually by approximately 1.0% and 2.5%, respectively, between 2015 and 2020. Global liquids and natural gas production are forecast to increase annually by approximately 0.6% and 1.5%, respectively, between 2020 and 2035. The largest growth in liquids production is forecast to come from North America, the Middle East and South and Central America. The largest growth in natural gas production is forecast to come from North America, Asia Pacific and the Middle East.

Our Performance Trends and Outlook

Our revenue, earnings and financial position are affected by, among other things, market conditions that impact demand and pricing for natural gas compression and oil and natural gas production and processing and our customers' decisions among using our products and services, using our competitors' products and services or owning and operating the equipment themselves.

Historically, oil and natural gas prices in North America have been volatile. Global oil prices have fallen significantly since the third quarter of 2014. For example, West Texas Intermediate crude oil spot prices as of June 30, 2015 were approximately 44% lower than prices at June 30, 2014. In addition, the Henry Hub spot price for natural gas was $2.80 per MMBtu at June 30, 2015, which was approximately 11% and 36% lower than prices at December 31, 2014 and June 30, 2014, respectively, and the U.S. natural gas liquid composite price was approximately $5.25 per MMBtu for the month of May 2015, which was approximately 7% and 48% lower than prices for the months of December 2014 and June 2014, respectively. During periods of lower oil or natural gas prices, our customers typically decrease their capital expenditures, which generally results in lower activity levels, and as a result the demand or pricing for our contract operations services, natural gas compression equipment and oil and natural gas production and processing equipment could be adversely affected. As a result of the low oil and natural gas price environment in North America, third party booking activity levels for our fabricated products in North America during the three months ended June 30, 2015 were $77.3 million, which represents a decrease of approximately 76% and 72% compared to the three months ended December 31, 2014 and June 30, 2014, respectively, and our North America product sales backlog as of June 30, 2015 was $290.2 million, which represents a decrease of approximately 46% compared to December 31, 2014. We believe these booking levels reflect both our customers' reduced activity levels in response to the decline in commodity prices and caution on the part of our customers as they reset capital budgets and seek to reduce costs.

Similarly, in international markets, lower oil and gas prices may have a negative impact on the amount of capital investment by our customers in new projects. However, we believe the impact will be less than we expect to experience in North America for two reasons: first, the longer-term fundamentals influencing our international customers' demand and, second, the long-term contracts we have in place with some of those international customers, including for our contract operations services. Growth in our international markets depends in part on international infrastructure projects, many of which are based on longer-term plans of our customers that can be driven by their local market demand and local pricing for natural gas. As a result, we believe our international customers make decisions based on longer-term fundamentals that can be less tied to near term commodity prices than our North American customers. Therefore, we believe the demand for our services and products in international markets will continue, and we expect to have opportunities to grow our international businesses over the long term. In the short term, however, our customers have sought to reduce their capital and operating expenditure requirements due to lower oil and natural gas prices. As a result, the demand and pricing for our services and products in international markets have been adversely impacted. Third party booking activity levels for our fabricated products in international markets during the three months ended June 30, 2015 were $72.3 million, which represents a decrease of approximately 55% and 63% compared to the three months ended December 31, 2014 and June 30, 2014, respectively, and our international market product sales backlog as of June 30, 2015 was $310.3 million, which represents a decrease of approximately 25% compared to December 31, 2014.

Aggregate third party booking activity levels for our fabricated products in North America and international markets during the three months ended June 30, 2015 were $149.6 million, which represents a decrease of approximately 68% compared to each of the three months ended December 31, 2014 and June 30, 2014. The aggregate product sales backlog for our fabricated products in North America and international markets as of June 30, 2015 was $600.5 million, which represents a decrease of approximately 37% and 27% compared to December 31, 2014 and June 30, 2014, respectively.

The timing of any change in activity levels by our customers is difficult to predict. As a result, our ability to project the anticipated activity level for our business, and particularly our product sales segment, is limited. If capital spending by our customers remains low, we expect bookings in our product sales business in 2016 to be comparable to or lower than our bookings in 2015. If these reduced booking levels persist for a sustained period, we could experience a material adverse effect on our business, financial condition, results of operations and cash flows.

Our level of capital spending depends on our forecast for the demand for our products and services and the equipment required to provide services to our customers. We anticipate investing more capital in our contract operations business in 2015 than we did in 2014. The increased investment in our contract operations business during 2015 is driven by large multi-year projects contracted in 2014 that are scheduled to start earning revenue in 2015 and 2016.

Certain Key Challenges and Uncertainties

Market conditions and competition in the oil and natural gas industry and the risks inherent in international markets continue to represent key challenges and uncertainties. In addition to these challenges, we believe the following represent some of the key challenges and uncertainties we will face in the future:

Global Energy Markets and Oil and Natural Gas Pricing. Our results of operations depend upon the level of activity in the global energy markets, including oil and natural gas development, production, processing and transportation. Oil and natural gas prices and the level of drilling and exploration activity can be volatile and have fallen significantly recently. As a result, many producers in the U.S. and other parts of the world, including our customers, have announced reduced capital budgets for this year. If oil and natural gas exploration and development activity and the number of well completions continue to decline due to the reduction in oil and natural gas prices or significant instability in energy markets, we would anticipate a continued decrease in demand and potentially pricing for our natural gas compression and oil and natural gas production and processing equipment and services. For example, unfavorable market conditions or financial difficulties experienced by our customers may result in cancellation of contracts or the delay or abandonment of projects, which could cause our cash flows generated by our products sales and international services to decline and have a material adverse effect on our results of operations and financial condition.

Execution on Larger Contract Operations and Product Sales Projects. Some of our projects have a relatively larger size and scope than the majority of our projects, which can translate into more technically challenging conditions or performance specifications for our products and services. Contracts with our customers generally specify delivery dates, performance criteria and penalties for our failure to perform. Any failure to execute such larger projects in a timely and cost effective manner could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Completion of the Spin-off. Execution of the spin-off will require significant expense and the time and attention of our management. The spin-off could distract management from the operation of our business and the execution of our other strategic initiatives. Our employees may also be uncertain about their future roles within Exterran Corporation pending the completion of the spin-off, which could lead to departures. Further, if the spin-off is completed, we may not realize the benefits we expect to realize. Any such difficulties could have an adverse effect on our business, results of

operations and financial condition. If completed, the spin-off may also expose us to certain risks that could have an adverse effect on our results of operations and financial condition. The spin-off is contingent upon the final approval of Exterran Holdings' board of directors and other conditions, some of which are beyond our control. For this and other reasons, the spin-off may not be completed in the expected timeframe or at all.

Personnel, Hiring, Training and Retention. Both in North America and internationally, we believe our ability to grow may be challenged by our ability to hire, train and retain qualified personnel. Although we have been able to satisfy our personnel needs thus far, retaining employees in our industry continues to be a challenge. Our ability to continue our growth will depend in part on our success in hiring, training and retaining these employees.

For the Six Months Ended June 30, 2015 and 2014

Summary of Results

As discussed in Note 2 to the Condensed Combined Financial Statements, the results from continuing operations for all periods presented exclude the results of our Venezuelan contract operations business. Those results are reflected in discontinued operations for all periods presented.

Net Income and EBITDA, as adjusted. We generated net income of $46.0 million and $68.5 million during the six months ended June 30, 2015 and 2014, respectively. The decrease in net income was primarily due to a decrease in gross margin in our contract operations and product sales segments, a $17.2 million decrease in proceeds received from the sale of our Venezuelan subsidiary's assets to PDVSA Gas, an increase in foreign currency losses of $13.3 million, an increase in restructuring and other charges and an increase in long-lived asset impairment. These activities were partially offset by a decrease in selling, general and administrative ("SG&A") expense, a decrease in depreciation and amortization expense and a decrease in income tax expense. Our EBITDA, as adjusted, was $149.0 million and $155.1 million during the six months ended June 30, 2015 and 2014, respectively. EBITDA, as adjusted, decreased primarily due to a decrease in gross margin in our contract operations and product sales segments and an increase of $2.4 million in foreign currency losses excluding the remeasurement of intercompany balances, partially offset by a decrease in SG&A expense. For a reconciliation of EBITDA, as adjusted, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP, please read "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

Results by Business Segment. The following table summarizes revenue, gross margin and gross margin percentages for each of our business segments (dollars in thousands):

	For the Six Months Ended June 30,	
	2015	2014
Revenue:		
Contract Operations	$ 235,941	$ 245,432
Aftermarket Services	70,275	77,979
Product Sales	708,475	700,415
	$ 1,014,691	$ 1,023,826
Gross Margin(1):		
Contract Operations	$ 146,857	$ 157,898
Aftermarket Services	20,791	20,782
Product Sales	99,571	109,021
	$ 267,219	$ 287,701
Gross Margin Percentage(2):		
Contract Operations	62%	64%
Aftermarket Services	30%	27%
Product Sales	14%	16%

(1) Defined as revenue less cost of sales, excluding depreciation and amortization expense. Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP in "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

(2) Defined as gross margin divided by revenue.

Operating Highlights

The following tables summarize our total available horsepower, total operating horsepower, average operating horsepower, horsepower utilization percentages and product sales backlog (in thousands, except percentages):

	For the Six Months Ended June 30,	
	2015	2014
Total Available Horsepower (at period end)	1,216	1,248
Total Operating Horsepower (at period end)	938	959
Average Operating Horsepower	959	974
Horsepower Utilization (at period end)	77%	77%

	June 30, 2015	June 30, 2014
Product Sales Backlog(1):		
Compressor and Accessory	$ 150,981	$ 192,692
Production and Processing	389,037	532,117
Installation	60,479	93,305
Product Sales Backlog	$ 600,497	$ 818,114

(1) Our product sales backlog consists of unfilled orders based on signed contracts and does not include potential product sales pursuant to letters of intent received from customers. We expect that $27.9 million of our product sales backlog as of June 30, 2015 will be recognized after June 30, 2016.

The Six Months Ended June 30, 2015 Compared to the Six Months Ended June 30, 2014

Contract Operations
(dollars in thousands)

	Six Months Ended June 30,		Increase (Decrease)
	2015	2014	
Revenue	$ 235,941	$ 245,432	(4)%
Cost of sales (excluding depreciation and amortization expense)	89,084	87,534	2%
Gross margin	$ 146,857	$ 157,898	(7)%
Gross margin percentage	62%	64%	(2)%

The decrease in revenue during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was primarily due to a $17.8 million decrease in revenue in Brazil primarily related to a project which had little incremental costs that commenced and terminated operations in 2014 and a $4.4 million decrease in revenue in the Eastern Hemisphere primarily driven by revenue decreases in Nigeria and Indonesia. These decreases were partially offset by a $8.3 million increase in revenue in Mexico primarily driven by contracts that commenced or were expanded in scope in 2014 and 2015 and a $6.5 million increase in revenue in Argentina primarily due to higher rates and inflationary cost recoveries billed to customers in the current year period partially offset by the devaluation of the Argentine peso in the current year period. Gross margin and gross margin percentage decreased during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 primarily due to the revenue decrease explained above, excluding the devaluation of the Argentine peso in the current year as the impact on gross margin and gross margin percentage was insignificant. While our gross margin during the six months ended June 30, 2014 benefited from the start-up of a Brazilian project, our contract operations business is capital intensive, and as such, we did have additional incremental costs in the form of depreciation expense, which is excluded from gross margin. Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP in "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

Aftermarket Services
(dollars in thousands)

	Six Months Ended June 30,		Increase (Decrease)
	2015	2014	
Revenue	$ 70,275	$ 77,979	(10)%
Cost of sales (excluding depreciation and amortization expense)	49,484	57,197	(13)%
Gross margin	$ 20,791	$ 20,782	0%
Gross margin percentage	30%	27%	3%

The decrease in revenue during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was due to decreases in revenue in the Eastern Hemisphere and Latin America of $6.2 million and $1.5 million, respectively. The decrease in revenue in the Eastern Hemisphere was impacted by the sale of our Australian business in December 2014, which resulted in a decrease of $2.4 million in revenue during the six months ended June 30, 2015 compared to the six months ended June 30, 2014. Gross margin remained flat during the six months ended June 30, 2015 compared to the six months ended June 30, 2014. The increase in gross margin percentage during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was primarily due to the receipt of a settlement from a customer in the Eastern Hemisphere during the six months ended June 30, 2015, which positively impacted revenue and gross margin by $3.7 million and $2.2 million, respectively.

Product Sales
(dollars in thousands)

	Six Months Ended June 30,		Increase (Decrease)
	2015	2014	
Revenue	$ 708,475	$ 700,415	1%
Cost of sales (excluding depreciation and amortization expense)	608,904	591,394	3%
Gross margin	$ 99,571	$ 109,021	(9)%
Gross margin percentage	14%	16%	(2)%

The increase in revenue during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was due to an increase in revenue in North America and Latin America of $20.7 million and $16.3 million, respectively, partially offset by a decrease in revenue in the Eastern Hemisphere of $28.9 million. The increase in revenue in North America was primarily due to an increase of $32.1 million in installation revenue, partially offset by a decrease of $10.5 million in production and processing equipment revenue. The increase in Latin America revenue was due to an increase of $24.7 million in compression equipment revenue, partially offset by decreases of $4.7 million and $3.7 million in production and processing equipment revenue and installation revenue, respectively. The decrease in Eastern Hemisphere revenue was due to decreases of $23.9 million and $16.9 million in installation revenue and compression equipment revenue, respectively, partially offset by an increase of $11.9 million in production and processing equipment revenue. The decreases in gross margin and gross margin percentage were primarily caused by subcontractor delays during the six months ended June 30, 2015 resulting in schedule extensions and additional costs of $4.3 million associated with projects in the Eastern Hemisphere, an increase of $4.3 million in expense for inventory reserves during the current year period and a shift in product mix in North America during the current year period. These decreases were partially offset by costs charged to one project in North America related to a warranty expense accrual of approximately $11.0 million during the six months ended June 30, 2014.

Costs and Expenses
(dollars in thousands)

	Six Months Ended June 30,		Increase (Decrease)
	2015	2014	
Selling, general and administrative	$ 114,330	$ 134,691	(15)%
Depreciation and amortization	75,581	95,157	(21)%
Long-lived asset impairment	10,489	—	n/a
Restructuring and other charges	10,547	—	n/a
Interest expense	826	848	(3)%
Equity in income of non-consolidated affiliates	(10,068)	(9,602)	5%
Other (income) expense, net	11,878	(4,966)	(339)%

SG&A expense includes expense allocations for certain functions, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology services performed by Exterran Holdings on a centralized basis that historically have not been recorded at the segment level. These costs were allocated to us systematically based on specific department function and revenue. Included in SG&A expense during the six months ended June 30, 2015 and 2014 were $28.1 million and $32.0 million, respectively, of corporate expenses incurred by Exterran Holdings. The actual costs we would have incurred if we had been a stand-alone public company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure. The decrease in SG&A expense during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was attributable to a $4.8 million decrease in compensation and benefits costs in Latin America and the Eastern

Hemisphere, a $4.0 million decrease in selling expenses relating to our product sales business in North America, a $3.9 million decrease in corporate expenses allocated to us as discussed above and a $1.8 million decrease in local taxes in Brazil. SG&A as a percentage of revenue was 11% and 13% during the six months ended June 30, 2015 and 2014, respectively.

Depreciation and amortization expense during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 decreased due to $19.6 million in depreciation of installation costs recognized during the six months ended June 30, 2014 on a contract operations project in Brazil that commenced and terminated operations in 2014. Prior to the start-up of this project, we capitalized $1.9 million and $24.5 million of installation costs during the years ended December 31, 2014 and 2013, respectively. Capitalized installation costs included, among other things, civil engineering, piping, electrical instrumentation and project management costs. Installation costs capitalized on contract operations projects are depreciated over the life of the underlying contract.

During the six months ended June 30, 2015, we reviewed the future deployment of our idle compression assets used in our contract operations segment for units that were not of the type, configuration, condition, make or model that are cost efficient to maintain and operate. Based on this review, we determined that 29 idle compression units totaling approximately 24,000 horsepower would be retired from the active fleet. The retirement of these units from the active fleet triggered a review of these assets for impairment. As a result, we recorded a $9.1 million asset impairment to reduce the book value of each unit to its estimated fair value. The fair value of each unit was estimated based on either the expected net sale proceeds compared to other fleet units we recently sold and/or a review of other units recently offered for sale by third parties, or the estimated component value of the equipment on each compressor unit that we plan to use.

During the first quarter of 2015, we evaluated a long-term note receivable from the purchaser of our Canadian Operations for impairment. This review was triggered by an offer from the purchaser of our Canadian Operations to prepay the note receivable at a discount to its current book value. The fair value of the note receivable as of March 31, 2015 was based on the amount offered by the purchaser of our Canadian Operations to prepay the note receivable. The difference between the book value of the note receivable at March 31, 2015 and its fair value resulted in the recording of an impairment of long-lived assets of $1.4 million during the six months ended June 30, 2015. In April 2015, we accepted the offer to early settle this note receivable.

During the six months ended June 30, 2015, we incurred charges of $4.7 million related to non-cash inventory write-downs associated with the spin-off, of which approximately $4.2 million related to our international contract operations segment and $0.5 million related to our product sales segment. Non-cash inventory write-downs primarily related to the decentralization of shared inventory components between Exterran Holdings' North America contract operations business and our international contract operations business. Additionally, in the second quarter of 2015 we announced a cost reduction plan primarily focused on workforce reductions and the reorganization of certain product sales facilities. These actions were in response to the current market conditions in North America combined with the impact of lower international activity due to customer budget cuts driven by lower oil prices. During the six months ended June 30, 2015, we incurred $5.8 million of restructuring and other charges as a result of this plan, of which $4.0 million related to non-cash write-downs of inventory and $1.8 million related to termination benefits. The non-cash inventory write-downs were the result of our decision to exit the manufacturing of cold weather packages, which had historically been performed at a product sales facility in North America we recently decided to close. The charges incurred in conjunction with the spin-off and cost reduction plan are included in restructuring and other charges in our condensed combined statements of operations. See Note 8 to the Condensed Combined Financial Statements for further discussion of these charges.

In March 2012, our Venezuelan joint ventures sold their assets to PDVSA Gas. We received payments, including an annual charge, of $10.1 million and $9.8 million during the six months ended June 30, 2015 and 2014, respectively. The remaining principal amount due to us of approximately

$17 million as of June 30, 2015, is payable in quarterly cash installments through the first quarter of 2016. Payments we receive from the sale will be recognized as equity in (income) loss of non-consolidated affiliates in our combined statements of operations in the periods such payments are received.

The change in other (income) expense, net, was primarily due to a foreign currency loss of $11.1 million during the six months ended June 30, 2015 compared to a gain of $2.2 million during the six months ended June 30, 2014. Our foreign currency losses and gains included a translation loss of $8.0 million during the six months ended June 30, 2015 compared to a translation gain of $2.9 million during the six months ended June 30, 2014, related to the functional currency remeasurement of our foreign subsidiaries' U.S. dollar denominated intercompany obligations. The change in other (income) expense, net, was also due to a $1.5 million increase in losses recognized during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 on short-term investments related to the purchase of $15.3 million and $12.3 million, respectively, of Argentine government issued U.S. dollar denominated bonds using Argentine pesos.

Income Taxes
(dollars in thousands)

	Six Months Ended June 30,		Increase (Decrease)
	2015	2014	
Provision for income taxes	$ 26,802	$ 39,641	(32)%
Effective tax rate	50.0%	55.4%	(5.4)%

The decrease in our income tax expense during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was primarily attributable to a $17.9 million decrease in pre-tax income and a $4.5 million charge for valuation allowances recorded against net operating losses and withholding tax credits in certain foreign jurisdictions during the six months ended June 30, 2014.

Discontinued Operations
(dollars in thousands)

	Six Months Ended June 30,		Increase (Decrease)
	2015	2014	
Income from discontinued operations, net of tax	$ 19,122	$ 36,597	(48)%

Income from discontinued operations, net of tax, during the six months ended June 30, 2015 and 2014 includes our operations in Venezuela that were expropriated in June 2009, including compensation for expropriation and costs associated with our arbitration proceeding.

As discussed in Note 2 to the Condensed Combined Financial Statements, in August 2012, our Venezuelan subsidiary sold its previously nationalized assets to PDVSA Gas. We received installment payments, including an annual charge, totaling $18.7 million and $35.9 million during the six months ended June 30, 2015 and 2014, respectively. The remaining principal amount due to us of approximately $99 million as of June 30, 2015, is payable in quarterly cash installments through the third quarter of 2016. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as income from discontinued operations in the periods such payments are received. In July 2015, we received an additional installment payment, including an annual charge, of $18.9 million. The proceeds from the sale of the assets are not subject to Venezuelan national taxes due to an exemption allowed under the Venezuelan Reserve Law applicable to expropriation settlements. In addition, and in connection with the sale, we and the Venezuelan government agreed to waive rights to assert certain claims against each other.

For the Years Ended December 31, 2014, 2013 and 2012

Summary of Results

As discussed in Note 3 to the Combined Financial Statements, the results from continuing operations for all periods presented exclude the results of our Venezuelan contract operations business and Canadian Operations. Those results are reflected in discontinued operations for all periods presented.

Net Income and EBITDA, as adjusted. We generated net income of $152.5 million, $152.9 million and $119.4 million during the years ended December 31, 2014, 2013 and 2012, respectively. Net income during the year ended December 31, 2014 compared to the year ended December 31, 2013 was impacted by an increase in depreciation and amortization expense and a $6.5 million loss on short-term investments related to the purchase of Argentine government issued U.S. dollar denominated bonds using Argentine pesos in the current year period, offset by a decrease in income tax expense, an increase in gross margin and a decrease in long-lived asset impairment. The increase in net income during the year ended December 31, 2013 compared to the year ended December 31, 2012 was primarily due to an increase in gross margin in our product sales segment and a decrease in depreciation and amortization expenses, partially offset by an increase in income tax expense and a decrease of $32.7 million in cash payments received from the sale of our Venezuelan joint ventures' assets. Our EBITDA, as adjusted, was $326.7 million, $324.9 million and $216.6 million during the years ended December 31, 2014, 2013 and 2012, respectively. EBITDA, as adjusted, during the year ended December 31, 2014 compared to the year ended December 31, 2013 increased primarily due to higher gross margin as discussed above, partially offset by a $6.5 million loss on short-term investments related to the purchase of Argentine government issued U.S. dollar denominated bonds using Argentine pesos as discussed above. EBITDA, as adjusted, during the year ended December 31, 2013 compared to the year ended December 31, 2012, increased primarily due to higher gross margin in our product sales segment. For a reconciliation of EBITDA, as adjusted, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP, please read "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

Results by Business Segment. The following table summarizes revenue, gross margin and gross margin percentages for each of our business segments (dollars in thousands):

	Years Ended December 31,		
	2014	2013	2012
Revenue:			
Contract Operations	$ 493,853	$ 476,016	$ 463,957
Aftermarket Services	162,724	160,672	145,048
Product Sales	1,516,177	1,778,785	1,459,719
	$ 2,172,754	$ 2,415,473	$ 2,068,724
Gross Margin(1):			
Contract Operations	$ 308,445	$ 279,072	$ 279,349
Aftermarket Services	42,543	40,328	37,190
Product Sales	245,881	264,116	168,067
	$ 596,869	$ 583,516	$ 484,606
Gross Margin Percentage(2):			
Contract Operations	62%	59%	60%
Aftermarket Services	26%	25%	26%
Product Sales	16%	15%	12%

(1) Defined as revenue less cost of sales, excluding depreciation and amortization expense. Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP in "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

(2) Defined as gross margin divided by revenue.

Operating Highlights

The following tables summarize our total available horsepower, total operating horsepower, average operating horsepower, horsepower utilization percentages and product sales backlog (in thousands, except percentages):

	Years Ended December 31,		
	2014	2013	2012
Total Available Horsepower (at period end)	1,236	1,255	1,265
Total Operating Horsepower (at period end)	976	986	1,007
Average Operating Horsepower	969	995	991
Horsepower Utilization (at period end)	79%	79%	80%

	December 31,		
	2014	2013	2012
Product Sales Backlog(1):			
Compressor and Accessory	$ 270,297	$ 157,093	$ 254,915
Production and Processing	561,153	475,565	563,826
Installation	121,751	46,429	245,573
Product Sales Backlog	$ 953,201	$ 679,087	$ 1,064,314

(1) Our product sales backlog consists of unfilled orders based on signed contracts and does not include potential product sales pursuant to letters of intent received from customers. We expect that $59.4 million of our product sales backlog as of December 31, 2014 will not be recognized in 2015.

The Year Ended December 31, 2014 Compared to the Year Ended December 31, 2013

Contract Operations
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2014	2013	
Revenue	$ 493,853	$ 476,016	4%
Cost of sales (excluding depreciation and amortization expense)	185,408	196,944	(6)%
Gross margin	$ 308,445	$ 279,072	11%
Gross margin percentage	62%	59%	3%

The increase in revenue during the year ended December 31, 2014 compared to the year ended December 31, 2013 was primarily due to a $16.1 million increase in revenue in Brazil primarily related to the start-up of a project in the current year with little incremental costs, an $8.0 million increase in revenue related to contracts that commenced in 2013 in Trinidad and Iraq, a $3.8 million increase in revenue in Mexico primarily due to accelerated revenues associated with a project that terminated in the second quarter of 2014 and a $3.8 million increase in revenue in Indonesia primarily due to an increase in production. These increases in revenue were partially offset by a $7.2 million decrease in revenue in Argentina driven by devaluation of the Argentine peso in the current year partially offset by higher rates in the current year period and a $6.1 million decrease in Colombia primarily due to recognition of revenue with no incremental cost on the termination of a contract during the year ended

December 31, 2013. Gross margin (defined as revenue less cost of sales, excluding depreciation and amortization expense) and gross margin percentage increased during the year ended December 31, 2014 compared to the year ended December 31, 2013 primarily due to the revenue increase explained above, excluding the devaluation of the Argentine peso in the current year as the impact on gross margin and gross margin percentage was insignificant. While our gross margin during the year ended December 31, 2014 benefited from the start-up of a Brazilian project, our contract operations business is capital intensive, and as such, we did have additional incremental costs in the form of depreciation expenses which is excluded from gross margin. Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP in "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

Aftermarket Services
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2014	2013	
Revenue	$ 162,724	$ 160,672	1%
Cost of sales (excluding depreciation and amortization expense)	120,181	120,344	0%
Gross margin	$ 42,543	$ 40,328	5%
Gross margin percentage	26%	25%	1%

The increase in revenue during the year ended December 31, 2014 compared to the year ended December 31, 2013 was due to increases in revenue in the Eastern Hemisphere and Latin America of $1.1 million and $1.0 million, respectively. Gross margin increased during the year ended December 31, 2014 compared to the year ended December 31, 2013 primarily due to an increase in gross margin in the Eastern Hemisphere of $2.6 million.

Product Sales
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2014	2013	
Revenue	$ 1,516,177	$ 1,778,785	(15)%
Cost of sales (excluding depreciation and amortization expense)	1,270,296	1,514,669	(16)%
Gross margin	$ 245,881	$ 264,116	(7)%
Gross margin percentage	16%	15%	1%

The decrease in revenue during the year ended December 31, 2014 compared to the year ended December 31, 2013 was due to lower revenue in North America, Latin America and the Eastern Hemisphere of $114.7 million, $83.3 million and $64.6 million, respectively. The decrease in revenue in North America was due to a decrease of $143.6 million in installation revenue primarily due to a project for one customer that was completed in 2013 and a decrease of $122.4 million in production and processing equipment revenue, partially offset by a $151.3 million increase in compression equipment revenue. The decrease in Latin America revenue was due to decreases of $59.2 million, $14.0 million and $10.1 million in installation revenue, production and processing equipment revenue and compression equipment revenue, respectively. The decrease in revenue in the Eastern Hemisphere was due to a decrease of $106.4 million in compression equipment revenue, partially offset by increases

of $24.0 million and $17.8 million in installation revenue and production and processing equipment revenue, respectively. The decrease in gross margin was primarily caused by the revenue decrease explained above and additional costs charged to one project in North America related to a warranty expense accrual of approximately $7.0 million during the year ended December 31, 2014, partially offset by cost overruns on three large turnkey projects recorded during the year ended December 31, 2013 of approximately $53.0 million. The increase in gross margin percentage was primarily caused by cost overruns on three large turnkey projects recorded during the year ended December 31, 2013, partially offset by additional costs charged to a project in North America related to a warranty expense accrual during the year ended December 31, 2014.

Costs and Expenses
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2014	2013	
Selling, general and administrative	$ 267,493	$ 264,890	1%
Depreciation and amortization	173,803	140,029	24%
Long-lived asset impairment	3,851	11,941	(68)%
Interest expense	1,905	3,551	(46)%
Equity in income of non-consolidated affiliates	(14,553)	(19,000)	(23)%
Other (income) expense, net	7,222	(1,966)	(467)%

SG&A expense includes expense allocations for certain functions, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology services performed by Exterran Holdings on a centralized basis that historically have not been recorded at the segment level. These costs were allocated to us systematically based on specific department function and revenue. Included in SG&A expense during the years ended December 31, 2014 and 2013 were $68.3 million and $62.6 million, respectively, of corporate expenses incurred by Exterran Holdings. The actual costs we would have incurred if we had been a stand-alone public company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure. SG&A as a percentage of revenue was 12% and 11% during the years ended December 31, 2014 and 2013, respectively.

Depreciation and amortization expense during the year ended December 31, 2014 compared to the year ended December 31, 2013 increased primarily due to $26.4 million of depreciation of installation costs recognized during 2014 on a contract operations project in Brazil that commenced and terminated operations in 2014. Prior to the start-up of this project, we capitalized $1.9 million and $24.5 million of installation costs during the year ended December 31, 2014 and 2013, respectively. Capitalized installation costs included, among other things, civil engineering, piping, electrical instrumentation and project management costs. Installation costs capitalized on contract operations projects are depreciated over the life of the underlying contract. In addition, depreciation expense increased due to property, plant and equipment additions.

During the year ended December 31, 2014, we evaluated the future deployment of our idle fleet and determined to retire approximately 20 idle compressor units, representing approximately 18,000 horsepower, previously used to provide services in our contract operations segment. As a result, we performed an impairment review and recorded a $2.8 million asset impairment to reduce the book value of each unit to its estimated fair value. The fair value of each unit was estimated based on the estimated component value of the equipment we plan to use.

In connection with our fleet review during 2014, we evaluated for impairment idle units that had been culled from our fleet in prior years and were available for sale. Based upon that review, we

reduced the expected proceeds from disposition for certain of the remaining units. This resulted in an additional impairment of $1.1 million to reduce the book value of each unit to its estimated fair value.

In July 2013, as part of our continued emphasis on simplification and focus on our core business, we sold the entity that owned our product sales facility in the United Kingdom. As a result, we recorded impairment charges of $11.9 million during the year ended December 31, 2013.

The decrease in interest expense during the year ended December 31, 2014 compared to the year ended December 31, 2013 was primarily due to a decrease in letters of credit issued for performance guarantees.

In March 2012, our Venezuelan joint ventures sold their assets to PDVSA Gas. We received payments, including an annual charge, of $14.7 million and $19.0 million during the years ended December 31, 2014 and 2013, respectively. The remaining principal amount due to us of approximately $26 million as of December 31, 2014, is payable in quarterly cash installments through the first quarter of 2016. In January 2015, we received an installment payment, including an annual charge, of $5.0 million that was due to us in December 2014. Payments we receive from the sale will be recognized as equity in (income) loss of non-consolidated affiliates in our combined statements of operations in the periods such payments are received.

The change in other (income) expense, net, was primarily due to a $6.5 million loss recognized during the year ended December 31, 2014 on short-term investments related to the purchase of $24.3 million of Argentine government issued U.S. dollar denominated bonds using Argentine pesos and an increase of $5.8 million in foreign currency losses in the current year period. Foreign currency losses included translation losses of $3.6 million and $4.3 million during the years ended December 31, 2014 and 2013, respectively, related to the functional currency remeasurement of our foreign subsidiaries' U.S. dollar denominated intercompany obligations.

Income Taxes
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2014	2013	
Provision for income taxes	$ 77,833	$ 97,367	(20)%
Effective tax rate	49.5%	52.9%	(3.4)%

Our effective tax rate is affected by recurring items, such as tax rates in foreign jurisdictions and the relative amounts of income we earn, or losses we incur, in those jurisdictions. It is also affected by discrete items that may occur in any given year but are not consistent from year to year. In addition to net state income taxes, the following items had the most significant impact on the difference between our statutory U.S. federal income tax rate of 35.0% and our effective tax rate.

For the year ended December 31, 2014:

- A $31.3 million (19.9%) increase resulting primarily from foreign withholding taxes, decreases in available net operating losses mostly related to our subsidiaries in the Netherlands, and negative impacts of foreign currency devaluations in Argentina and Mexico. The increase includes a reduction resulting from rate differences between U.S. and non-U.S. jurisdictions primarily related to income we earned in Oman, Mexico and Thailand where the rates are 12.0%, 30.0% and 20.0%, respectively.

- A $7.9 million (5.0%) increase resulting from valuation allowances primarily recorded against deferred tax assets for net operating losses of our subsidiaries in Brazil, Italy and the

Netherlands. The increase includes a reduction in valuation allowances related to decreases in available net operating losses mostly related to our subsidiaries in the Netherlands.

- A $10.9 million (7.0%) reduction resulting from claiming foreign taxes as credits primarily for foreign withholding taxes. The foreign tax credits are available to offset future payments of U.S. federal income taxes.

- A $5.2 million (3.3%) reduction due to $14.7 million of nontaxable proceeds from sale of joint venture assets in Venezuela.

For the year ended December 31, 2013:

- A $28.5 million (15.5%) increase resulting primarily from foreign withholding taxes and negative impacts of foreign currency devaluations in Argentina.

- A $22.8 million (12.4%) increase resulting from valuation allowances primarily recorded against deferred tax assets for net operating losses of our subsidiaries in Brazil, Italy and the Netherlands.

- A $16.4 million (8.9%) reduction resulting from claiming foreign taxes as credits primarily for foreign withholding taxes. The foreign tax credits are available to offset future payments of U.S. federal income taxes.

- A $6.7 million (3.6%) reduction due to $19.0 million of nontaxable proceeds from sale of joint venture assets.

Discontinued Operations
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2014	2013	
Income from discontinued operations, net of tax	$ 73,198	$ 66,149	11%

Income from discontinued operations, net of tax, during the years ended December 31, 2014 and 2013 includes our operations in Venezuela that were expropriated in June 2009, including compensation for expropriation and costs associated with our arbitration proceeding, and results from our Canadian Operations.

As discussed in Note 3 to the Combined Financial Statements, in August 2012, our Venezuelan subsidiary sold its previously nationalized assets to PDVSA Gas. We received installment payments, including an annual charge, totaling $72.6 million and $69.3 million during the years ended December 31, 2014 and 2013, respectively. The remaining principal amount due to us of approximately $116 million as of December 31, 2014, is payable in quarterly cash installments through the third quarter of 2016. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as income from discontinued operations in the periods such payments are received. The proceeds from the sale of the assets are not subject to Venezuelan national taxes due to an exemption allowed under the Venezuelan Reserve Law applicable to expropriation settlements. In addition, and in connection with the sale, we and the Venezuelan government agreed to waive rights to assert certain claims against each other.

In June 2012, we committed to a plan to sell our Canadian Operations. In connection with the planned disposition, we recorded impairment charges totaling $6.4 million during the year ended December 31, 2013. As discussed in Note 3 to the Combined Financial Statements, in July 2013, we completed the sale of our Canadian Operations.

The Year Ended December 31, 2013 Compared to the Year Ended December 31, 2012

Contract Operations
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2013	2012	
Revenue	$ 476,016	$ 463,957	3%
Cost of sales (excluding depreciation and amortization expense)	196,944	184,608	7%
Gross margin	$ 279,072	$ 279,349	0%
Gross margin percentage	59%	60%	(1)%

The increase in revenue during the year ended December 31, 2013 compared to the year ended December 31, 2012 was primarily due to rate increases in Argentina and Indonesia that provided $32.7 million of additional revenue in 2013 and increases in revenue in Mexico and Bahrain of $17.7 million primarily due to contracts that commenced or were expanded in scope in 2012 and 2013. These increases were partially offset by a $37.1 million decrease in revenue in Brazil primarily as a result of the recognition of revenue with little incremental cost on terminated contracts during the prior year period. Gross margin (defined as revenue less cost of sales, excluding depreciation and amortization expense) percentage during the year ended December 31, 2013 compared to the year ended December 31, 2012 decreased due to the recognition of revenue on terminated contracts in Brazil during the year ended December 31, 2012 mentioned above, partially offset by the rate increases mentioned above. While our gross margin during the year ended December 31, 2012 benefited from the recognition of revenue with little incremental cost on terminated contracts, our contract operations business is capital intensive, and as such, we did have additional incremental costs in the form of depreciation expense which is excluded from gross margin. Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable financial measure calculated and presented in accordance with GAAP in "Selected Historical Combined Financial Data—Non-GAAP Financial Measures" of this information statement.

Aftermarket Services
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2013	2012	
Revenue	$ 160,672	$ 145,048	11%
Cost of sales (excluding depreciation and amortization expense)	120,344	107,858	12%
Gross margin	$ 40,328	$ 37,190	8%
Gross margin percentage	25%	26%	(1)%

The increase in revenue during the year ended December 31, 2013 compared to the year ended December 31, 2012 was due to increases in revenue in the Eastern Hemisphere and Latin America of $8.9 million and $6.7 million, respectively. Gross margin increased during the year ended December 31, 2013 compared to the year ended December 31, 2012 due to an increase in gross margin in Latin America, partially offset by lower gross margins on work performed in the Eastern Hemisphere during the year ended December 31, 2013.

Product Sales
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2013	2012	
Revenue	$ 1,778,785	$ 1,459,719	22%
Cost of sales (excluding depreciation and amortization expense)	1,514,669	1,291,652	17%
Gross margin	$ 264,116	$ 168,067	57%
Gross margin percentage	15%	12%	3%

The increase in revenue during the year ended December 31, 2013 compared to the year ended December 31, 2012 was due to higher revenue in the Eastern Hemisphere, North America and Latin America of $188.9 million, $81.2 million and $49.0 million, respectively. The increase in revenue in the Eastern Hemisphere was due to increases of $114.3 million, $38.9 million and $35.7 million in compression equipment revenue, production and processing equipment revenue and installation revenue, respectively. The increase in North America revenue was due to increases of $80.7 million and $88.4 million in installation revenue and production and processing equipment revenue, respectively, partially offset by an $87.9 million decrease in compression equipment revenue. The increase in Latin America revenue was primarily due to an increase in installation revenue of $54.4 million. The increases in gross margin and gross margin percentage were primarily caused by the revenue increase explained above, a reduction in operating expenses from the implementation of profitability improvement initiatives and improved pricing associated with projects in North America and the Eastern Hemisphere. These improvements in results were partially offset by cost overruns on three large turnkey projects during the year ended December 31, 2013 of approximately $53.0 million.

Costs and Expenses
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2013	2012	
Selling, general and administrative	$ 264,890	$ 269,812	(2)%
Depreciation and amortization	140,029	167,499	(16)%
Long-lived asset impairment	11,941	5,197	130%
Restructuring charges	—	3,892	(100)%
Interest expense	3,551	5,318	(33)%
Equity in income of non-consolidated affiliates	(19,000)	(51,483)	(63)%
Other (income) expense, net	(1,966)	5,638	(135)%

SG&A expense includes expense allocations for certain functions performed by Exterran Holdings, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology services performed by Exterran Holdings on a centralized basis that historically have not been recorded at the segment level. These costs were allocated to us systematically based on specific department function and revenue. Included in our SG&A expense during the years ended December 31, 2013 and 2012 were $62.6 million and $63.3 million, respectively, of corporate expenses incurred by Exterran Holdings. The actual costs we would have incurred if we had been a stand-alone public company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, such as information technology and infrastructure. The decrease in SG&A expense during the year ended December 31, 2013 compared to the year ended December 31, 2012 was primarily due to a $5.3 million decrease in bad debt expense.

SG&A as a percentage of revenue was 11% and 13% during the years ended December 31, 2013 and 2012, respectively.

Depreciation and amortization expense during the year ended December 31, 2013 compared to the year ended December 31, 2012 decreased primarily due to reduced depreciation expense on terminated contract operations projects in Brazil.

In July 2013, as part of our continued emphasis on simplification and focus on our core business, we sold the entity that owned our product sales facility in the United Kingdom. As a result, we recorded impairment charges of $11.9 million during the year ended December 31, 2013.

During the year ended December 31, 2012, as part of our continued emphasis on simplification and focus on our core businesses, we committed to a plan to dispose of certain offshore assets located in Trinidad. As a result, we performed an impairment review and recorded a $3.2 million asset impairment to reduce the book value of these assets to their estimated fair value. The fair value was estimated based on the expected net sale proceeds.

In 2012, we committed to a plan to sell the entity that owned our product sales facility in the United Kingdom. As a result, we recorded impairment charges of $1.5 million during the year ended December 31, 2012.

During the year ended December 31, 2012, we evaluated other long-lived assets for impairment and recorded long-lived asset impairments of $0.5 million on these assets.

In November 2011, we announced a workforce cost reduction program across all of our business segments as a first step in a broader overall profit improvement initiative. These actions were the result of a review of our cost structure aimed at identifying ways to reduce our ongoing operating costs and adjust the size of our workforce to be consistent with then current and expected activity levels. A significant portion of the workforce cost reduction program was completed in 2011, with the remainder completed in 2012. During the year ended December 31, 2012, we incurred $3.9 million of restructuring charges primarily related to termination benefits and consulting services.

The decrease in interest expense during the year ended December 31, 2013 compared to the year ended December 31, 2012 was primarily due to a decrease in letters of credit issued for performance guarantees.

In March 2012, our Venezuelan joint ventures sold their assets to PDVSA Gas. We received payments, including an annual charge, of $19.0 million and $51.7 million during the years ended December 31, 2013 and 2012, respectively. The remaining principal amount due to us is payable in quarterly cash installments through the first quarter of 2016. Payments we receive from the sale will be recognized as equity in (income) loss of non-consolidated affiliates in our combined statements of operations in the periods such payments are received.

The change in other (income) expense, net, during the year ended December 31, 2013 compared to the year ended December 31, 2012 was primarily due to a decrease of $5.2 million in foreign currency losses and a $2.8 million increase in gain on sale of property, plant and equipment. Foreign currency losses during the year ended December 31, 2013 and 2012 included translation losses of $4.3 million and $7.4 million, respectively, related to the functional currency remeasurement of our foreign subsidiaries' U.S. dollar denominated intercompany obligations.

Income Taxes
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2013	2012	
Provision for income taxes	$ 97,367	$ 26,226	271%
Effective tax rate	52.9%	33.3%	19.6%

Our effective tax rate is affected by recurring items, such as tax rates in foreign jurisdictions and the relative amounts of income we earn, or losses we incur, in those jurisdictions. It is also affected by discrete items that may occur in any given year but are not consistent from year to year. In addition to net state income taxes, the following items had the most significant impact on the difference between our statutory U.S. federal income tax rate of 35.0% and our effective tax rate.

For the year ended December 31, 2013:

- A $28.5 million (15.5%) increase resulting primarily from foreign withholding taxes and negative impacts of foreign currency devaluations in Argentina.
- A $22.8 million (12.4%) increase resulting from valuation allowances primarily recorded against deferred tax assets for net operating losses of our subsidiaries in Brazil, Italy and the Netherlands.
- A $16.4 million (8.9%) reduction resulting from claiming foreign taxes as credits primarily for foreign withholding taxes. The foreign tax credits are available to offset future payments of U.S. federal income taxes.
- A $6.7 million (3.6%) reduction due to $19.0 million of nontaxable proceeds from sale of joint venture assets in Venezuela.

For the year ended December 31, 2012:

- An $18.0 million (22.9%) reduction due to $51.7 million of nontaxable proceeds from sale of joint venture assets in Venezuela.
- A $9.9 million (12.6%) reduction resulting from claiming foreign taxes as credits primarily for foreign withholding taxes. The foreign tax credits are available to offset future payments of U.S. federal income taxes.
- A $14.6 million (18.6%) increase resulting primarily from foreign withholding taxes.
- A $14.6 million (18.6%) increase resulting from valuation allowances primarily recorded against deferred tax assets for net operating losses of our subsidiaries in Brazil, Kazakhstan and the Netherlands.

Discontinued Operations
(dollars in thousands)

	Years Ended December 31,		Increase (Decrease)
	2013	2012	
Income from discontinued operations, net of tax	$ 66,149	$ 66,843	(1)%

Income from discontinued operations, net of tax, during the years ended December 31, 2013 and 2012 includes our operations in Venezuela that were expropriated in June 2009, including compensation for expropriation and costs associated with our arbitration proceeding, and results from our Canadian Operations.

As discussed in Note 3 to the Combined Financial Statements, in June 2009, PDVSA assumed control over substantially all of our assets and operations in Venezuela. In August 2012, our Venezuelan subsidiary sold its previously nationalized assets to PDVSA Gas for a purchase price of approximately $441.7 million. We received an initial payment of $176.7 million in cash at closing, of which we remitted $50.0 million to repay the amount we collected in January 2010 under the terms of an insurance policy we maintained for the risk of expropriation. We received installment payments, including an annual charge, totaling $69.3 million and $16.8 million during the years ended December 31, 2013 and 2012, respectively. The remaining principal amount due to us is payable in quarterly cash installments through the third quarter of 2016. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as income from discontinued operations in the periods such payments are received. We therefore recorded a reduction in previously unrecognized tax benefits, resulting in a $15.5 million benefit reflected in income (loss) from discontinued operations, net of tax, in our combined statements of operations during the year ended December 31, 2012.

In June 2012, we committed to a plan to sell our Canadian Operations. In connection with the planned disposition, we recorded impairment charges totaling $6.4 million and $80.2 million during the years ended December 31, 2013 and 2012, respectively. As discussed in Note 3 to the Combined Financial Statements, in July 2013, we completed the sale of our Canadian Operations.

Liquidity and Capital Resources

Our unrestricted cash balance was $23.0 million at June 30, 2015 compared to $39.4 million at December 31, 2014. Working capital increased to $533.5 million at June 30, 2015 from $481.6 million at December 31, 2014. The increase in working capital was primarily due to a decrease in accounts payable, a decrease in accrued liabilities, a decrease in billings on uncompleted contracts in excess of costs and estimated earnings and a decrease in deferred revenue, partially offset by decreases in accounts receivable and cash. The decrease in accounts payable was primarily caused by the timing of payments to vendors in North America. The decrease in accrued liabilities was primarily due to a decrease in accrued compensation and benefits. The decrease in accounts receivable was primarily driven by the timing of payments received from customers in Mexico during the current year period.

Our cash flows from operating, investing and financing activities, as reflected in the condensed combined statements of cash flows, are summarized in the table below (in thousands):

	Six Months Ended June 30,	
	2015	2014
Net cash provided by (used in) continuing operations:		
Operating activities	$ 45,564	$ 29,479
Investing activities	(62,160)	(49,417)
Financing activities	(17,583)	6,877
Effect of exchange rate changes on cash and cash equivalents	(783)	(4,000)
Discontinued operations	18,650	35,629
Net change in cash and cash equivalents	$ (16,312)	$ 18,568

Operating Activities. The increase in net cash provided by operating activities during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was primarily due to lower current period increases in working capital and a decrease in SG&A expense, partially offset by a decrease in gross margin in our contract operations and product sales segments. Working capital changes during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 were primarily driven by a decrease of $40.2 million in accounts receivable during the six months ended

June 30, 2015 compared to an increase of $15.7 million during the six months ended June 30, 2014 and a decrease of $2.9 million in deferred revenue during the six months ended June 30, 2015 compared to a decrease of $30.5 million during the six months ended June 30, 2014. These activities were partially offset by a decrease of $63.8 million in accounts payable and other liabilities during the six months ended June 30, 2015 compared to a decrease of $12.5 million during the six months ended June 30, 2014.

Investing Activities. The increase in net cash used in investing activities during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was primarily attributable to a $15.7 million increase in capital expenditures, partially offset by $5.4 million of net proceeds received from the settlement of our outstanding note receivable for the sale of our Canadian Operations in the current year period.

Financing Activities. The increase in net cash used in financing activities during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was attributable to net distributions to Exterran Holdings of $17.6 million during the current year period compared to net contributions from Exterran Holdings of $6.9 million during the prior year period. The increase in net distributions to Exterran Holdings was primarily due to an increase in cash provided by operating activities during the six months ended June 30, 2015 compared to the six months ended June 30, 2014. After the completion of the spin-off, we do not expect to continue making distributions to Archrock or receiving contributions from Archrock.

Discontinued Operations. The decrease in net cash provided by discontinued operations during the six months ended June 30, 2015 compared to the six months ended June 30, 2014 was attributable to a $17.2 million decrease in proceeds received from the sale of our Venezuelan subsidiary's assets to PDVSA Gas.

Our unrestricted cash balance was $39.4 million at December 31, 2014 compared to $35.2 million at December 31, 2013. Working capital increased to $481.6 million at December 31, 2014 from $372.2 million at December 31, 2013. The increase in working capital was primarily due to an increase in accounts receivable, a decrease in accrued liabilities, a decrease in deferred revenue, an increase in current deferred income taxes and a decrease in billings on uncompleted contracts in excess of costs and estimated earnings, partially offset an increase in accounts payable. The increase in accounts receivable was primarily due to increased activity on contract operations projects in Mexico in the current year period and the timing of billings on product sales projects in North America and Singapore, partially offset by a payment received during the year ended December 31, 2014 relating to a rate adjustment in Argentina that was outstanding as of December 31, 2013. The decrease in accrued liabilities was primarily due to a decrease in accrued income and other taxes.

Our cash flows from operating, investing and financing activities, as reflected in the combined statements of cash flows, are summarized in the table below (in thousands):

	Years Ended December 31,	
	2014	2013
Net cash provided by (used in) continuing operations:		
Operating activities	$ 145,098	$ 164,420
Investing activities	(129,787)	(59,917)
Financing activities	(79,273)	(182,685)
Effect of exchange rate changes on cash and cash equivalents	(3,925)	(1,487)
Discontinued operations	72,054	80,696
Net change in cash and cash equivalents	$ 4,167	$ 1,027

Operating Activities. The decrease in net cash provided by operating activities during the year ended December 31, 2014 compared to the year ended December 31, 2013 was primarily due to higher current period increases in working capital and a decrease in gross margin in our product sales segment, partially offset by an increase in gross margin in our contract operations segment.

Investing Activities. The increase in net cash used in investing activities during the year ended December 31, 2014 compared to the year ended December 31, 2013 was primarily attributable to a $57.7 million increase in capital expenditures and a $9.0 million decrease in proceeds from sale of property, plant and equipment.

Financing Activities. The decrease in net cash used in financing activities during the year ended December 31, 2014 compared to the year ended December 31, 2013 was attributable to a $103.4 million decrease in net distributions to parent. The decrease in net distributions to parent was primarily due to an increase in cash used in investing activities and a decrease in cash provided by operating activities in the year ended December 31, 2014 as compared to the year ended December 31, 2013. After the completion of the spin-off, we do not expect to continue making distributions to parent.

Discontinued Operations. The decrease in net cash provided by discontinued operations during the year ended December 31, 2014 compared to year ended December 31, 2013 was primarily attributable to proceeds of $12.3 million received from the sale of our Canadian Operations during the year ended December 31, 2013, partially offset by a $3.3 million increase in proceeds received from the sale of our Venezuelan subsidiary's assets to PDVSA Gas in the current year.

Capital Requirements. Our contract operations business is capital intensive, requiring significant investment to maintain and upgrade existing operations. Our capital spending is primarily dependent on the demand for our contract operations services and the availability of the type of equipment required for us to render those contract operations services to our customers. Our capital requirements have consisted primarily of, and we anticipate will continue to consist of, the following:

- growth capital expenditures, which are made to expand or to replace partially or fully depreciated assets or to expand the operating capacity or revenue generating capabilities of existing or new assets, whether through construction, acquisition or modification; and

- maintenance capital expenditures, which are made to maintain the existing operating capacity of our assets and related cash flows further extending the useful lives of the assets.

The majority of our growth capital expenditures are related to the acquisition cost of new compressor units and processing and treating equipment that we add to our fleet and installation costs on integrated projects. In addition, growth capital expenditures can also include the upgrading of major components on an existing compressor unit where the current configuration of the compressor unit is no longer in demand and the compressor is not likely to return to an operating status without the capital expenditures. These latter expenditures substantially modify the operating parameters of the compressor unit such that it can be used in applications for which it previously was not suited. Maintenance capital expenditures are related to major overhauls of significant components of a compressor unit, such as the engine, compressor and cooler, that return the components to a like new condition, but do not modify the applications for which the compressor unit was designed.

Growth capital expenditures were $97.9 million, $36.5 million and $107.7 million during the years ended December 31, 2014, 2013 and 2012, respectively. The increase in growth capital expenditures during the year ended December 31, 2014 compared to the year ended December 31, 2013 was primarily due to an increase in investment in new compression equipment in Latin America and an increase in installation expenditures on integrated projects in Brazil and Mexico. The decrease in growth capital expenditures during the year ended December 31, 2013 compared to the year ended December 31, 2012 was primarily due to decreases in installation expenditures on integrated projects in

the Eastern Hemisphere and Latin America and a decrease in expenditures to upgrade major components on existing compressor units in Mexico.

Maintenance capital expenditures were $24.4 million, $21.6 million and $22.5 million in the years ended December 31, 2014, 2013 and 2012, respectively. Maintenance capital expenditures remained relatively flat primarily as a result of routine scheduled overhaul activities. We intend to grow our business both organically and through acquisitions. If we are successful in growing our business in the future, we would expect our maintenance capital expenditures to increase over the long term.

We generally invest funds necessary to fabricate contract operations fleet additions when our idle equipment cannot be reconfigured to economically fulfill a project's requirements and the new equipment expenditure is expected to generate economic returns over its expected useful life that exceeds our targeted return on capital. We currently plan to spend approximately $170 million to $195 million in capital expenditures during 2015, including (1) approximately $105 million to $115 million on contract operations growth capital expenditures and (2) approximately $25 million to $35 million on equipment maintenance capital related to our contract operations business.

Historically, we have financed capital expenditures primarily with net cash provided by operating activities. Our ability to access the capital markets may be restricted at a time when we would like, or need, to do so, which could have an adverse impact on our ability to maintain our operations and to grow. Inability to borrow additional amounts from capital markets could limit our ability to fund our future growth and operations. Based on current market conditions, we expect that net cash provided by operating activities and borrowings available under our new credit facility will be sufficient to finance our operating expenditures and capital expenditures through December 31, 2015; however, to the extent it is not, we may seek additional debt financing. In addition, to provide us with additional liquidity following the spin-off, Exterran Corporation and EESLP entered into a $925.0 million credit agreement, consisting of a $680.0 million revolving credit facility and a $245.0 million term loan facility, which will become available in connection with the completion of the spin-off on or prior to January 4, 2016. Please read "Description of Material Indebtedness." At or prior to the spin-off, on a pro forma basis as of June 30, 2015, we would have transferred $539.0 million of the proceeds from our new credit facility to Exterran Holdings to allow Exterran Holdings to repay a portion of its indebtedness. On a pro forma basis, immediately after the transfer to Exterran Holdings, we would have had available borrowing capacity of $281.8 million under our new credit facility.

As of June 30, 2015, Exterran Holdings and its subsidiaries (other than Exterran Partners and its subsidiaries) had approximately $707 million of debt outstanding, including approximately $357 million of outstanding borrowings under its existing credit facility. Subsequent to June 30, 2015 and prior to the completion of the spin-off, Exterran Holdings expects to incur additional borrowings under its existing credit facility of between $40 million and $50 million to finance expenses related to the completion of the spin-off and related financing transactions, which will increase the amount we borrow under our new credit facility and transfer to Exterran Holdings.

Pursuant to the separation and distribution agreement, in connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive payments based on a notional amount corresponding to payments received by our subsidiaries from PDVSA Gas in respect of the sale of our previously nationalized assets promptly after our subsidiaries collect such amounts until Archrock's subsidiary has received an aggregate amount of such payments equal to the lesser of (x) $150.0 million, less the aggregate amount of installment payments received from PDVSA Gas by Exterran Holdings and its subsidiaries after August 31, 2015 but before the completion of the spin-off, plus the aggregate amount of all reimbursable expenses incurred by Archrock and its subsidiaries in connection with recovering any default installment payments directly from PDVSA Gas following the completion of the spin-off or (y) $150.0 million.

In addition, pursuant to the separation and distribution agreement, EESLP will use its commercially reasonable efforts to complete one or more unsecured debt offerings or equity issuances resulting in aggregate gross cash proceeds of at least $250.0 million on the terms described in the credit agreement (such transaction, a "qualified capital raise") on or before the maturity date of our $245.0 million term loan facility, which is currently expected to be the second anniversary of the completion of the spin-off or as soon as practicable thereafter. In connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive, promptly following the occurrence of such qualified capital raise, a $25.0 million cash payment.

Of our unrestricted cash balance at June 30, 2015 of $23.0 million, $22.8 million was held by our foreign subsidiaries. We have not provided for U.S. federal income taxes on indefinitely (or permanently) reinvested cumulative earnings of approximately $632.9 million generated by our non-U.S. subsidiaries as of June 30, 2015. Those earnings are from ongoing operations and will be used to fund international growth. In the event of a distribution of those earnings to the U.S. in the form of dividends, we may be subject to both foreign withholding taxes and U.S. federal income taxes net of allowable foreign tax credits. We do not believe that the cash held by our foreign subsidiaries has an adverse impact on our liquidity because we expect that the cash we generate in the U.S. and the anticipated available borrowing capacity under our new credit facility, as well as the repayment of intercompany liabilities from our foreign subsidiaries, will be sufficient to fund the cash needs of our U.S. operations for the foreseeable future.

Argentina's current regulations restrict foreign exchange, including exchanging Argentine pesos for U.S. dollars in certain cases, and we are unable to freely repatriate cash from Argentina. Therefore, the cash flow from our operations in Argentina may not be a reliable source of funding for our operations outside of Argentina, which could limit our ability to grow. Restrictions on our ability to exchange Argentine pesos for U.S. dollars subject us to risk of currency devaluation on future earnings in Argentina. During the six months ended June 30, 2015 and the year ended December 31, 2014, we used Argentine pesos to purchase certain short-term investments in Argentine government issued U.S. dollar denominated bonds. The effective peso to U.S. dollar exchange rate embedded in the purchase price of $15.3 million and $24.3 million of bonds purchased during the six months ended June 30, 2015 and the year ended December 31, 2014, respectively, resulted in our recognition of a loss of $3.9 million and $6.5 million, respectively, which is included in other (income) expense, net, in our combined statements of operations. In future periods, we may seek to use Argentine pesos to purchase certain short-term investments in Argentine government issued U.S. dollar denominated bonds, which may result in transaction losses due to the effective peso to U.S. dollar exchange rate embedded in the purchase price of such bonds. As of June 30, 2015 and December 31, 2014, $4.4 million and $16.0 million, respectively, of our cash was in Argentina.

New Credit Facility. On October 5, 2015, Exterran Corporation and EESLP entered into the new credit facility, which will become available in connection with the completion of the spin-off on or prior to January 4, 2016. In connection with the spin-off, EESLP will become our wholly owned subsidiary, and we intend to transfer the net proceeds from the borrowings under the new credit facility to Exterran Holdings to allow it to repay a portion of its indebtedness.

Contractual Obligations. The following table summarizes our cash contractual obligations as of December 31, 2014 and the effect such obligations are expected to have on our liquidity and cash flow in future periods (in thousands):

	Total	2015	2016 - 2017	2018 - 2019	Thereafter
Purchase commitments	$ 506,394	$ 505,878	$ 516	$ —	$ —
Capital leases	1,107	—	463	468	176
Facilities and other operating leases	39,477	8,402	10,993	4,777	15,305
Total contractual obligations	$ 546,978	$ 514,280	$ 11,972	$ 5,245	$ 15,481

At December 31, 2014, $8.4 million of unrecognized tax benefits (including discontinued operations) have been recorded as liabilities in accordance with the accounting standard for income taxes related to uncertain tax positions and we are uncertain as to if or when such amounts may be settled. Related to these unrecognized tax benefits, we have also recorded a liability for potential penalties and interest (including discontinued operations) of $3.2 million.

Off-Balance Sheet Arrangements

Borrowings under Exterran Holdings' $900.0 million senior secured revolving credit facility due in July 2016 are guaranteed by certain of our and Exterran Holdings' domestic subsidiaries. Our guarantees of borrowings under the existing credit facility are secured by substantially all of the personal property assets and certain real property assets of our Significant Domestic Subsidiaries (as defined in the credit agreement) and 65% of the equity interests in certain of our first-tier foreign subsidiaries. As of June 30, 2015, Exterran Holdings had $356.5 million in outstanding borrowings under the existing credit facility.

All of our existing subsidiaries that guarantee indebtedness under the existing credit facility also guarantee Exterran Holdings' $350.0 million aggregate principal amount of 7.25% senior notes due December 2018, or the "7.25% Notes". Our guarantees of the 7.25% Notes are on a senior unsecured basis, rank equally in right of payment with all of Exterran Holdings' other senior obligations and are effectively subordinated to all of Exterran Holdings' existing and future secured debt to the extent of the value of the collateral securing such indebtedness. As of June 30, 2015, Exterran Holdings had $350.0 million in outstanding 7.25% Notes. We are liable in the event Exterran Holdings defaults in its payment obligations or fails to comply with the covenants under the credit agreement or upon the occurrence of specified events contained in the credit agreement, including the event of bankruptcy or insolvency of Exterran Holdings. As of June 30, 2015 and December 31, 2014, no liabilities relating to such guarantees have been reflected in our combined balance sheets. We expect to be released from our obligations under such guarantees prior to or at the completion of the spin-off.

Effects of Inflation

Our revenues and results of operations have not been materially impacted by inflation in the past three fiscal years.

Critical Accounting Estimates

This discussion and analysis of our financial condition and results of operations is based upon the Combined Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates and accounting policies, including those related to bad debt, inventories, fixed assets, investments, intangible assets, income taxes, revenue

recognition and contingencies and litigation. We base our estimates on historical experience and on other assumptions that we believe are reasonable under the circumstances. The results of this process form the basis of our judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions, and these differences can be material to our financial condition, results of operations and liquidity. We describe our significant accounting policies more fully in Note 2 to our Combined Financial Statements.

Allowances and Reserves

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. The determination of the collectability of amounts due from our customers requires us to use estimates and make judgments regarding future events and trends, including monitoring our customers' payment history and current creditworthiness to determine that collectability is reasonably assured, as well as consideration of the overall business climate in which our customers operate. Inherently, these uncertainties require us to make judgments and estimates regarding our customers' ability to pay amounts due to us in order to determine the appropriate amount of valuation allowances required for doubtful accounts. We review the adequacy of our allowance for doubtful accounts quarterly. We determine the allowance needed based on historical write-off experience and by evaluating significant balances aged greater than 90 days individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. During the years ended December 31, 2014, 2013 and 2012, we recorded bad debt expense of $0.6 million, $2.3 million and $7.6 million, respectively. During the six months ended June 30, 2015 and 2014, we recorded bad debt expense of $1.2 million and $0.9 million, respectively. A five percent change in the allowance for doubtful accounts would have had an impact on income before income taxes of approximately $0.1 million during the six months ended June 30, 2015.

Inventory is a significant component of current assets and is stated at the lower of cost or market. This requires us to record provisions and maintain reserves for excess, slow moving and obsolete inventory. To determine these reserve amounts, we regularly review inventory quantities on hand and compare them to estimates of future product demand, market conditions and production requirements. These estimates and forecasts inherently include uncertainties and require us to make judgments regarding potential outcomes. During 2014, 2013 and 2012, we recorded $3.2 million, $0.6 million and $0.6 million, respectively, in inventory write-downs and reserves for inventory which was obsolete, excess or carried at a price above market value. During the six months ended June 30, 2015 and 2014, we recorded $14.1 million and $0.6 million, respectively, in inventory write-downs and reserves for inventory which was obsolete, excess or carried at a price above market value. As discussed further in Note 8 to the Condensed Combined Financial Statements, $8.7 million of the increase in inventory reserves during the six months ended June 30, 2015 related to restructuring and other charges. Significant or unanticipated changes to our estimates and forecasts could impact the amount and timing of any additional provisions for excess or obsolete inventory that may be required. A five percent change in this inventory reserve balance would have had an impact on income before income taxes of approximately $1.0 million during the six months ended June 30, 2015.

Depreciation

Property, plant and equipment are carried at cost. Depreciation for financial reporting purposes is computed on the straight-line basis using estimated useful lives and salvage values, including idle assets in our active fleet. The assumptions and judgments we use in determining the estimated useful lives and salvage values of our property, plant and equipment reflect both historical experience and expectations regarding future use of our assets. The use of different estimates, assumptions and

judgments in the establishment of property, plant and equipment accounting policies, especially those involving their useful lives, would likely result in significantly different net book values of our assets and results of operations.

Long-Lived Assets

We review long-lived assets, including property, plant and equipment and identifiable intangibles that are being amortized, for impairment whenever events or changes in circumstances, including the removal of compressor units from our active fleet, indicate that the carrying amount of an asset may not be recoverable. Compressor units in our active fleet that are idle as of June 30, 2015 comprise approximately 278,000 horsepower with a net book value of approximately $80.5 million. The determination that the carrying amount of an asset may not be recoverable requires us to make judgments regarding long-term forecasts of future revenue and costs related to the assets subject to review. Specifically for idle compression units that are removed from the active fleet and that will be sold to third-parties as working compression units, significant assumptions include forecasted sale prices based on future market conditions and demand, forecasted cost to maintain the assets until sold and the forecasted length of time necessary to sell the assets. These forecasts are uncertain as they require significant assumptions about future market conditions. Significant and unanticipated changes to these assumptions could require a provision for impairment in a future period. Given the nature of these evaluations and their application to specific assets and specific times, it is not possible to reasonably quantify the impact of changes in these assumptions. An impairment loss exists when estimated undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount. When necessary, an impairment loss is recognized and represents the excess of the asset's carrying value as compared to its estimated fair value and is charged to the period in which the impairment occurred.

Income Taxes

Our income tax expense, deferred tax assets and liabilities, and reserves for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. We operate in approximately 30 countries and, as a result, are subject to income taxes in both the U.S. and numerous foreign jurisdictions. In preparing our combined financial statements, we have determined our tax provision on a separate return, stand-alone basis. In the U.S., our operations have been historically included in Exterran Holdings' income tax returns. Differences between Exterran Holdings' U.S. separate income tax returns and cash flows attributable to income taxes for our U.S. operations have been recognized as distributions to, or contributions from, parent within parent equity. Significant judgments and estimates are required in determining combined income tax expense.

Deferred income taxes arise from temporary differences between the financial statements and tax basis of assets and liabilities. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and changes in accounting policies and incorporate assumptions including the amount of future U.S. federal, state and foreign pretax operating income, the reversal of temporary differences and the implementation of feasible and prudent tax-planning strategies. These assumptions require significant judgment about the forecasts of future taxable income and are consistent with the plans and estimates we are using to manage the underlying businesses. In evaluating the objective evidence that historical results provide, we consider three years of cumulative operating income (loss).

Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management is not aware of any such changes that would have a material effect on the

Company's financial position, results of operations or cash flows. The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations.

The accounting standard for income taxes provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits. In addition, guidance is provided on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. We adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the tax liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which new information is available.

We consider the earnings of certain non-U.S. subsidiaries to be indefinitely invested outside the U.S. on the basis of estimates that future domestic cash generation will be sufficient to meet future domestic cash needs. We have not recorded a deferred tax liability related to these unremitted foreign earnings as it is not practicable to estimate the amount of unrecognized deferred tax liabilities. Should we decide to repatriate any unremitted foreign earnings, we would have to adjust the income tax provision in the period we determined that such earnings will no longer be indefinitely invested outside the U.S.

Revenue Recognition—Percentage-of-Completion Accounting

We recognize revenue and profit for our product sales operations as work progresses on long-term contracts using the percentage-of-completion method when the applicable criteria are met, which relies on estimates of total expected contract revenue and costs. We follow this method because reasonably dependable estimates of the revenue and costs applicable to various stages of a contract can be made and because the product sales projects usually last several months. Recognized revenues and profit are subject to revisions as the contract progresses to completion. Revisions in profit estimates are charged to income in the period in which the facts that give rise to the revision become known. The typical duration of these projects is three to 24 months. Due to the long-term nature of some of our jobs, developing the estimates of cost often requires significant judgment.

We estimate percentage-of-completion for compressor and accessory product sales on a direct labor hour to total labor hour basis. This calculation requires management to estimate the number of total labor hours required for each project and to estimate the profit expected on the project. Production and processing equipment product sales percentage-of-completion is estimated using the direct labor hour to total labor hour basis and the cost to total cost basis. The cost to total cost basis requires us to estimate the amount of total costs (labor and materials) required to complete each project. Because we have many product sales projects in process at any given time, we do not believe that materially different results would be achieved if different estimates, assumptions or conditions were used for any single project.

Factors that must be considered in estimating the work to be completed and ultimate profit include labor productivity and availability, the nature and complexity of work to be performed, the impact of change orders, availability of raw materials and the impact of delayed performance. If the aggregate combined cost estimates for uncompleted contracts that are recognized using the percentage-of-completion method in our product sales businesses had been higher or lower by 1% during the six months ended June 30, 2015 and the year ended December 31, 2014, our income before income taxes would have decreased or increased by approximately $8.8 million and $8.1 million, respectively. As of

June 30, 2015 and December 31, 2014, we had recognized approximately $139.1 million and $134.6 million, respectively, in estimated earnings on uncompleted contracts.

Contingencies and Litigation

We are substantially self-insured for workers' compensation, employer's liability, property, auto liability, general liability and employee group health claims in view of the relatively high per-incident deductibles we absorb under our insurance arrangements for these risks. In addition, we currently have a minimal amount of insurance on our offshore assets. Losses up to deductible amounts are estimated and accrued based upon known facts, historical trends and industry averages. We review these estimates quarterly and believe such accruals to be adequate. However, insurance liabilities are difficult to estimate due to unknown factors, including the severity of an injury, the determination of our liability in proportion to other parties, the timeliness of reporting of occurrences, ongoing treatment or loss mitigation, general trends in litigation recovery outcomes and the effectiveness of safety and risk management programs. Therefore, if our actual experience differs from the assumptions and estimates used for recording the liabilities, adjustments may be required and would be recorded in the period in which the difference becomes known. As of June 30, 2015 and December 31, 2014, we had recorded approximately $2.8 million and $2.7 million, respectively, in insurance claim reserves.

In the ordinary course of business, we are involved in various pending or threatened legal actions. While we are unable to predict the ultimate outcome of these actions, the accounting standard for contingencies requires management to make judgments about future events that are inherently uncertain. We are required to record (and have recorded) a loss during any period in which we believe a contingency is probable and can be reasonably estimated. In making determinations of likely outcomes of pending or threatened legal matters, we consider the evaluation of counsel knowledgeable about each matter.

The impact of an uncertain tax position taken or expected to be taken on an income tax return must be recognized in the financial statements at the largest amount that is more likely than not to be sustained upon examination by the relevant taxing authority. We regularly assess and, if required, establish accruals for income tax as well as non-income tax contingencies pursuant to the applicable accounting standards that could result from assessments of additional tax by taxing jurisdictions in countries where we operate. Tax contingencies are subject to a significant amount of judgment and are reviewed and adjusted on a quarterly basis in light of changing facts and circumstances considering the outcome expected by management. As of June 30, 2015 and December 31, 2014, we had recorded approximately $11.8 million and $13.0 million, respectively, of accruals for tax contingencies (including penalties and interest and discontinued operations). Of these amounts, $10.7 million and $11.6 million, respectively, are accrued for income taxes and $1.1 million and $1.4 million, respectively, are accrued for non-income based taxes. If our actual experience differs from the assumptions and estimates used for recording the liabilities, adjustments may be required and would be recorded in the period in which the difference becomes known.

Recent Accounting Pronouncements

See Note 17 to the Combined Financial Statements.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks primarily associated with changes in foreign currency exchange rates. We have significant international operations. The net assets and liabilities of these operations are exposed to changes in currency exchange rates. These operations may also have net assets and liabilities not denominated in their functional currency, which exposes us to changes in foreign currency exchange rates that impact income. We recorded a foreign currency loss of $11.1 million and a foreign currency

gain of $2.2 million in our condensed combined statements of operations during the six months ended June 30, 2015 and 2014, respectively. Our foreign currency gains and losses are primarily due to exchange rate fluctuations related to monetary asset balances denominated in currencies other than the functional currency, including foreign currency exchange rate changes recorded on intercompany obligations. Changes in exchange rates may create gains or losses in future periods to the extent we maintain net assets and liabilities not denominated in the functional currency.

Argentina's current regulations restrict foreign exchange, including exchanging Argentine pesos for U.S. dollars in certain cases, and we are unable to freely repatriate cash from Argentina. Therefore, the cash flow from our operations in Argentina may not be a reliable source of funding for our operations outside of Argentina, which could limit our ability to grow. Restrictions on our ability to exchange Argentine pesos for U.S. dollars subject us to risk of currency devaluation on future earnings in Argentina. During the six months ended June 30, 2015 and the year ended December 31, 2014, we used Argentine pesos to purchase certain short-term investments in Argentine government issued U.S. dollar denominated bonds. The effective peso to U.S. dollar exchange rate embedded in the purchase price of $15.3 million and $24.3 million of bonds purchased during the six months ended June 30, 2015 and the year ended December 31, 2014, respectively, resulted in our recognition of a loss of $3.9 million and $6.5 million, respectively, which is included in other (income) expense, net, in our combined statements of operations. In future periods, we may seek to use Argentine pesos to purchase certain short-term investments in Argentine government issued U.S. dollar denominated bonds, which may result in transaction losses due to the effective peso to U.S. dollar exchange rate embedded in the purchase price of such bonds. As of June 30, 2015 and December 31, 2014, $4.4 million and $16.0 million, respectively, of our cash was in Argentina.

BUSINESS

Our Company

We are currently a wholly owned subsidiary of Exterran Holding. In connection with the spin-off, Exterran Holdings, Inc. will change its name to "Archrock, Inc." Following the completion of our spin-off from Exterran Holdings, we will be an independent, publicly traded company operating under the name "Exterran Corporation," and we will own the assets and liabilities associated with Exterran Holdings' international services and global fabrication businesses. We refer to the global fabrication business currently operated by Exterran Holdings as our product sales business. Archrock will not retain any ownership interest in us or our business.

We are a market leader in the provision of compression, production and processing products and services that support the production and transportation of oil and natural gas throughout the world. We provide these products and services to a global customer base consisting of companies engaged in all aspects of the oil and natural gas industry, including large integrated oil and natural gas companies, national oil and natural gas companies, independent oil and natural gas producers and oil and natural gas processors, gatherers and pipeline operators. We report our results of operations in the following three reporting business segments: contract operations, aftermarket services and product sales.

In our contract operations business, which accounted for 23% of our revenue and 52% of our gross margin in 2014, we own and operate natural gas compression equipment and crude oil and natural gas production and processing equipment on behalf of our customers outside of the United States. These services can include engineering, design, procurement, on-site construction and operation of natural gas compression and crude oil or natural gas production and processing facilities for our customers. Our contract operations business is underpinned by long-term commercial contracts with large customers, including several national oil and natural gas companies, which we believe provides us with relatively stable cash flows due to our exposure to the production phase of oil and gas development, compared to drilling and completion related energy services and product providers. We believe our contract operations services generally allow our customers that outsource their compression or production and processing needs to achieve higher production rates than they would achieve with their own operations, resulting in increased revenue for our customers. In addition, outsourcing allows our customers flexibility for their compression and production and processing needs while limiting their capital requirements. These contracts generally involve initial terms ranging from three to five years, and in some cases in excess of 10 years. In many instances, we are able to renew those contracts prior to the expiration of the initial term; in some cases, we may sell the underlying assets to our customers pursuant to purchase options.

In our aftermarket services business, which accounted for 7% of our revenue and 7% of our gross margin in 2014, we provide operations, maintenance, overhaul and reconfiguration services outside of the United States to support our customers who own their own compression, production, processing, treating and related equipment. Our services range from routine maintenance services and parts sales to the full operation and maintenance of customer-owned assets. We both seek to couple aftermarket services with our product sales business to provide ongoing services to customers who buy equipment from us and to sell those services to customers who have bought equipment from other companies.

In our product sales business, which accounted for approximately 70% of our revenue and 41% of our gross margin in 2014, we design, engineer, manufacture, install and sell natural gas compression packages as well as equipment used in the production, treating and processing of crude oil and natural gas to customers both in the United States and internationally. We also design, engineer, manufacture and install this equipment for use in our contract operations business. In addition, we combine our products into an integrated solution that we design, engineer, procure and, in certain cases, construct on-site for sale to our customers. We believe the expansive range of products we sell through our global platform enables us to take advantage of the ongoing, worldwide energy infrastructure build-out.

Competitive Strengths

We believe the following key competitive strengths will allow us to create shareholder value:

Global platform and expansive service and product offerings poised to capitalize on the global energy infrastructure build-out. Despite the recent decline in oil and natural gas prices and the impact on demand for our services and products, we expect that global oil and natural gas infrastructure will continue to be built out and provide us with opportunities for growth as we believe our global customer base will continue to invest in infrastructure projects based on longer-term fundamentals that are less tied to near-term commodity prices. We believe our size, geographic scope and broad customer base provide us with a unique advantage in meeting our customers' needs, particularly with regard to large-scale project construction and development, which will allow us to capture those growth opportunities. We provide our customers a broad variety of products and services in approximately 30 countries worldwide, including outsourced compression, production and processing services, as well as the sale of a large portfolio of natural gas compression and oil and natural gas production and processing equipment and installation services. We believe our contract operations services generally allow our customers that outsource their compression or production and processing needs to achieve higher production rates than they would achieve with their own operations, resulting in increased revenue for our customers. In addition, outsourcing allows our customers flexibility for their compression and production and processing needs while limiting their capital requirements. By offering a broad range of services and products that leverage our core strengths, we believe we provide unique integrated solutions that meet our customers' needs. We believe the breadth and quality of our products and services, the depth of our customer relationships and our presence in many major oil and natural gas-producing regions place us in a position to capture additional business on a global basis.

High-quality products and services. We have built a network of high-quality energy infrastructure assets that are strategically deployed across our global platform. Through our history of operating a wide variety of products in many energy-producing markets around the world, we have developed the technical expertise and experience required to understand the needs of our customers and meet those needs through a range of products and services. These products and services include both highly customized compression, production and processing solutions as well as standard products based on our expertise, in support of a range of projects, from those requiring quick completion to those that may take several years to fully develop. Additionally, this experience has allowed us to develop efficient systems and processes and a skilled workforce that allow us to provide high-quality services throughout international markets. We utilize this technical expertise and long history of developing and operating projects for our customers to continually improve our products and services, which enables us to provide our customers with high-quality, comprehensive oil and natural gas infrastructure support worldwide.

Complementary businesses enable us to offer customers integrated infrastructure solutions. We aim to provide our customers with a single source to meet their energy infrastructure needs, and we believe we have the ability to serve our customers' changing needs in a variety of ways. For customers that seek to limit capital spending on energy infrastructure projects, we offer our full operations services through our contract operations business. Alternatively, for customers that prefer to develop and acquire their own infrastructure assets, we are able to sell equipment and facilities for their operation. In addition, in those cases, we can also provide operations, maintenance, overhaul and reconfiguration services following the sale through our aftermarket services business. Finally, we also provide aftermarket services to customers that own compression, production, processing and treating equipment that was not purchased from us. Because of the breadth of our products and our ability to deliver those products through our different delivery models, we believe we are able to provide the solution that is most suitable to our customers in the markets in which they operate. We believe this ability to provide

our customers with a variety of products and services provides us with greater stability, as we are able to adjust the products and services we provide to reflect our customers' changing needs.

Cash flows from contract operations business supported by long-term contracts with diverse customer base. We provide contract operations services to customers located in approximately 15 countries. Within our contract operations business, we seek to enter into long-term contracts with a diverse collection of customers, including large integrated oil and natural gas companies and national energy companies. These contracts generally involve initial terms ranging from three to five years, and in some cases can be in excess of 10 years, and typically require our customers to pay our monthly service fee even during periods of limited or disrupted natural gas flows. In addition, our large, international customer base provides a diversified revenue stream, which we believe reduces customer and geographic concentration risk. Furthermore, our customer base includes several companies that are among the largest and most well-known companies within their respective regions throughout our global platform.

Experienced management team. We have an experienced and skilled management team with a long track record of driving growth through organic expansion and selective acquisitions. The members of our management team have strong relationships in the oil and gas industry and have operated through numerous commodity price cycles throughout our areas of operations. Members of our management team have spent a significant portion of their respective careers at highly regarded energy and manufacturing companies, such as Exterran Holdings, and have accumulated an average of over 25 years of industry experience.

Well-balanced capital structure with sufficient liquidity. We intend to maintain a capital structure with an appropriate amount of leverage and the financial flexibility to invest in our operations and pursue attractive growth opportunities that we believe will increase the overall earnings and cash flow generated by our business. As of June 30, 2015, on a pro forma basis after giving effect to the spin-off and the related financing transactions, we would have had access to approximately $281.8 million of available borrowings under our new credit facility. In addition, as of June 30, 2015, we would have had approximately $23.0 million of cash and cash equivalents on hand on a pro forma basis.

Business Strategies

We intend to continue to capitalize on our competitive strengths to meet our customers' needs through the following key strategies:

Strategically grow our business to generate attractive returns to our shareholders. Our primary strategic focus involves the growth of our business through expanding our product and services offerings and growing our customer base, as well as targeting redevelopment opportunities in the U.S. energy market and expansions into new international markets benefiting from the global energy infrastructure build-out. Our diverse product and service portfolio allows us to readily respond to changes in industry and economic conditions. We believe our global footprint allows us to provide the prompt product availability our customers require, and we can construct projects in new locations as needed to meet customer demand. We have the ability to readily deploy our capital to construct new or supplemental projects that we build, own and operate on behalf of our customers through our contract operations business. In addition, we seek to provide our customers with integrated infrastructure solutions by combining product and service offerings across our businesses. As an independent company, we plan to supplement our organic growth with select acquisitions in key markets to further enhance our geographic reach, product offerings and other capabilities. We believe acquisitions of this nature will allow us to generate incremental revenues from existing and new customers and obtain greater market share.

Expand customer base and deepen relationships with existing customers. We believe the uniquely broad range of services we offer, the quality of our products and services and our diverse geographic footprint positions us well to attract new customers and cross-sell our products and services to existing customers. In addition, we have a long history of providing the products and services we offer to our customers, which we couple with the technical expertise of our experienced engineering personnel to understand and meet our customers' needs, particularly as those needs develop and change over time. We intend to devote significant business development resources to market our products and services, leverage existing relationships and expedite our growth potential. We also seek to provide supplemental projects and services to our customers as their needs evolve over time. Finally, we expect to be able to offer certain of our products, including fabricated compressors, to prospective customers that are competitors of Archrock, which increases our prospective customer base and provides us with the opportunity to diversify our revenue sources.

Continue our industry-leading safety performance. Because of our emphasis on training and safety protocols for our employees, we have delivered industry-leading safety performance, which has resulted in our achieving a strong reputation for safety. We believe this safety performance and reputation helps us to attract and retain customers and employees. We have adopted rigorous processes and procedures to facilitate our compliance with safety regulations and policies. We work diligently to meet or exceed applicable safety regulations, and we intend to continue to focus on our safety monitoring function as our business grows and operating conditions change.

Continue to optimize our global platform, products and services and enhance our profitability. We regularly review and evaluate the quality of our operations, products and services. This process includes customer review programs to assess the quality of our performance. In addition, we intend to use our global platform to reach a wide variety of customers, which we believe can enable us to achieve cost savings in our operations. We believe our ongoing focus on improving the quality of our operations, products and services results in greater satisfaction among our customers, which we believe results in greater profitability and value for our shareholders.

Our Businesses

We conduct our operations through three businesses: contract operations, aftermarket services and product sales. For financial data relating to our business segments or geographic regions that accounted for 10% or more of combined revenue in any of the last three fiscal years or 10% or more of combined property, plant and equipment, net, as of December 31, 2014 or December 31, 2013, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 18 to our combined financial statements.

Contract Operations

We provide comprehensive contract operations services to customers outside of the United States based on each customer's needs and operating specifications. These services include the provision of the personnel, equipment, tools, materials and supplies to meet our customers' natural gas compression or oil or natural gas production or processing service needs, as well as designing, sourcing, owning, installing, operating, servicing, repairing and maintaining equipment owned by us necessary to provide these services.

We generally enter into contracts with our contract operations customers with initial terms between three to five years, and in some cases can be in excess of 10 years. These contracts can require us to provide complete engineering, design and installation services and a significant investment in equipment, facilities and related installation costs. These projects may include several compressor units on one site or entire facilities designed to process and treat oil or natural gas to make it suitable for end use. Our customers generally are required to pay a monthly service fee even during periods of

limited or disrupted oil or natural gas flows, which enhances the stability and predictability of our cash flows. Additionally, because we typically do not take title to the natural gas we compress, process or treat and because the natural gas we use as fuel for our compressors and other equipment is supplied by our customers, we have limited direct exposure to commodity price fluctuations.

Our equipment is maintained in accordance with established maintenance schedules. These maintenance procedures are updated as technology changes and as our operations team develops new techniques and procedures. In addition, because our field technicians provide maintenance on our contract operations equipment, they are familiar with the condition of our equipment and can readily identify potential problems. In our experience, these maintenance procedures maximize equipment life and unit availability, minimize avoidable downtime and lower the overall maintenance expenditures over the equipment life.

During the year ended December 31, 2014, approximately 23% of our revenue and 52% of our gross margin was generated from contract operations. As of December 31, 2014, our contract operations business provided contract operations services using a fleet of 986 natural gas compression units with an aggregate capacity of approximately 1,236,000 horsepower and a fleet of production and processing equipment.

We believe that our aftermarket services and product sales businesses, described below, provide opportunities to cross-sell our contract operations services.

Aftermarket Services

Our aftermarket services business sells parts and components and provides operation, maintenance, overhaul and reconfiguration services to customers outside of the United States who own compression, production, processing and treating equipment. We believe that we are particularly well qualified to provide these services because of our highly experienced operating personnel and technical and engineering expertise. In addition, our aftermarket services business is a component of our ability to provide integrated infrastructure solutions to our customers because it enables us to continue to serve our customers after the sale of any assets or facilities manufactured through our product sales business. As a result, we seek to couple aftermarket services with our other businesses to maintain and develop our relationships with our customers.

During the year ended December 31, 2014, approximately 7% of our revenue and 7% of our gross margin was generated from aftermarket services.

Product Sales

We design, engineer, fabricate, sell and, in certain cases, install a broad range of oil and natural gas production and processing equipment designed to heat, separate, dehydrate and condition crude oil and natural gas to make them suitable for end use. Our products include line heaters, oil and natural gas separators, glycol dehydration units, condensate stabilizers, dewpoint control plants, water treatment, mechanical refrigeration and cryogenic plants and skid-mounted production packages designed for both onshore and offshore production facilities. We sell standard production and processing equipment, which is used for processing wellhead production from onshore or shallow-water offshore platform production primarily into U.S. markets. In addition, we sell custom-engineered, built-to-specification production and processing equipment, including designing facilities comprised of a combination of our products integrated into a solution that meets our customers' needs. Some of these projects are in remote areas and in developing countries with limited oil and natural gas industry infrastructure. To meet most customers' rapid response requirements and minimize customer downtime, we maintain an inventory of standard products and long delivery components used to manufacture our products to our customers' specifications. Typically, we expect our production and processing equipment backlog to be produced within a three to 24 month period.

We also design, engineer, fabricate, sell and, in certain cases, install, skid-mounted natural gas compression equipment to meet standard or unique customer specifications. Generally, we assemble compressors sold to third parties according to each customer's specifications. We purchase components for these compressors from third party suppliers including several major engine and compressor manufacturers in the industry. We also sell pre-packaged compressor units designed to our standard specifications.

We also provide engineering, procurement and fabrication services related to the manufacturing of critical process equipment for refinery and petrochemical facilities, the fabrication of tank farms and the fabrication of evaporators and brine heaters for desalination plants.

We sell our compression and production and processing equipment primarily to major and independent oil and natural gas producers as well as national oil and natural gas companies in the countries where we operate, both within the United States and internationally.

During the year ended December 31, 2014, approximately 70% of our revenue and 41% of our gross margin was generated from product sales. As of December 31, 2014, our backlog in product sales was $953.2 million and $59.4 million of future revenue related to our product sales backlog was expected to be recognized after December 31, 2015.

Industry Overview

Natural Gas Compression

The international compression business is comprised primarily of large horsepower compressors that are typically deployed in facilities comprised of several compressors on one site. A significant portion of this business involves comprehensive projects that require the design, engineering, fabrication, delivery and installation of several compressors on one site along with related natural gas treatment and processing equipment. We are able to serve our customers' needs for such projects through our product sales business or through the provision of our contract operations services.

Natural gas compression is a mechanical process whereby the pressure of a given volume of natural gas is increased to a desired higher pressure for transportation from one point to another and is essential to the production and transportation of natural gas. Compression is typically required several times during the natural gas production and transportation cycle, including (i) at the wellhead, (ii) throughout gathering and distribution systems, (iii) into and out of processing and storage facilities and (iv) along pipelines.

Production and Processing

Crude oil and natural gas are generally not marketable as produced at the wellhead and must be processed or treated before they can be transported to market. Production and processing equipment is used to separate and treat oil and natural gas as it is produced to achieve a marketable quality of product. Production processing typically involves the separation of oil and natural gas and the removal of contaminants. The end result is "pipeline" or "sales" quality oil and natural gas. Further processing or refining is almost always required before oil or natural gas is suitable for use as fuel or feedstock for petrochemical production. Production processing normally takes place in the "upstream" and "midstream" segments, while refining and petrochemical processing is referred to as the "downstream" segment. Wellhead or upstream production and processing equipment include a wide and diverse range of products.

We manufacture and stock standard production equipment based on historical product mix and expected customer purchases following general trends of oil and natural gas production. In addition, we sell custom-engineered, built-to-specification production and processing equipment. We also provide integrated solutions comprised of a combination of our products into a single offering, which typically

consists of much larger equipment packages than standard equipment, and is generally used in much larger scale production operations. The custom equipment segment is driven by global economic trends, and the specifications for purchased equipment can vary significantly. Technology, engineering capabilities, project management, available manufacturing space and quality control standards are the key drivers in the custom equipment segment.

Outsourcing

Natural gas producers, transporters and processors choose to outsource their operations due to the benefits and flexibility of contract operations. We believe outsourcing compression, production and processing operations to outsourced service providers such as us offers customers:

- access to the outsourced service provider's specialized personnel and technical skills, including engineers and field service and maintenance employees, which we believe generally leads to improved production rates and/or increased throughput and higher revenues;
- the ability to increase their profitability by transporting or producing a higher volume of natural gas through decreased equipment downtime and reduced operating, maintenance and equipment costs by allowing the outsourced service provider to efficiently manage their operations; and
- the flexibility to deploy their capital on projects more directly related to their primary business by reducing their investment in compression, production and processing equipment and their maintenance capital requirements.

Cyclicality, Volatility and Seasonality

Changes in oil and natural gas exploration and production spending normally results in changes in demand for our products and services; however, we believe our contract operations business is typically less impacted by commodity prices than certain other energy service products and services because compression, production and processing services are necessary for natural gas and oil to be delivered from the wellhead to end users; and our contract operations businesses are tied primarily to natural gas and oil production and consumption, which are generally less cyclical in nature than exploration activities.

Demand for oil and natural gas is cyclical and subject to fluctuations. This is primarily because the industry is driven by commodity demand and corresponding price increases. When oil and natural gas price increases occur, producers typically increase their capital expenditures, which generally results in greater activity levels and revenues for equipment providers to the oil and gas industry.

Our results of operations have not historically reflected any material seasonal tendencies and we currently do not believe that seasonal fluctuations will have a material impact on us in the foreseeable future.

Markets, Customers and Competition

Our global customer base consists primarily of companies engaged in all aspects of the oil and natural gas industry, including large integrated oil and natural gas companies, national energy companies, independent producers and natural gas processors, gatherers and pipeline operators.

During the year ended December 31, 2014, Exterran Holdings accounted for approximately 11% of our total revenues. Following the spin-off, we will provide Archrock with certain fabricated products, including compressors, and we will depend on Archrock for a significant amount of our product sales revenue. The loss of our business with Archrock, unless offset by additional product sales to other customers, or the inability or failure of Archrock to meet its payment obligations could have a material adverse effect on our business, results of operations and financial condition. See Note 14 to the

Combined Financial Statements for further discussion on transactions with affiliates. No customer other than Exterran Holdings accounted for more than 10% of our combined revenues in 2014. During each of the years ended December 31, 2013 and 2012, no individual customer accounted for more than 10% of our combined revenues.

We currently operate in approximately 30 countries. We have product sales facilities in the United States, Europe, Asia and the Middle East.

The businesses in which we operate are highly competitive. Overall, we experience considerable competition from companies that may be able to more quickly adapt to changes within our industry and changes in economic conditions as a whole, more readily take advantage of available opportunities. We believe we are competitive with respect to price, equipment availability, customer service, flexibility in meeting customer needs, technical expertise, quality and reliability of our compression, production and processing equipment and related services. We face vigorous competition throughout our businesses, with some firms competing with us in multiple businesses. In our production and processing equipment business, we have different competitors in the standard and custom-engineered equipment segments. Competitors in the standard equipment segment include several large companies and a large number of small, regional fabricators. Our competition in the custom-engineered segment consists mainly of larger companies with the ability to provide integrated projects and product support after the sale. The ability to fabricate these large custom-engineered systems near the point of end-use is often a competitive advantage.

Following the spin-off, we will face increased competition as we seek to diversify our customer base and increase utilization of our service offerings.

We also expect to be able to offer certain of our products, including fabricated compressors, to prospective customers that were previously competitors of Exterran Holdings, which increases our prospective customer base and ability to diversify our revenue sources. In addition, in connection with the completion of the spin-off, we intend to enter into the supply agreement, pursuant to which we will provide Archrock and Archrock Partners with fabricated equipment.

In addition, we expect that the separation and distribution agreement will contain certain noncompetition provisions addressing restrictions for a limited period of time after the spin-off on our ability to provide contract operations services in the United States and on Archrock's ability to provide contract operations services outside of the United States and product sales to customers worldwide, subject to certain exceptions.

Sources and Availability of Raw Materials

We fabricate natural gas compression and oil and natural gas production and processing equipment to provide contract operations services and to sell to third parties from components which we acquire from a wide range of vendors. These components represent a significant portion of the cost of our compressor and production and processing equipment products. In addition, we fabricate tank farms and critical process equipment for refinery and petrochemical facilities and other vessels used in the production, processing and treating of crude oil and natural gas. Steel prices can fluctuate widely and represent a significant portion of the cost of raw materials for these products. Increases in raw material costs cannot always be offset by increases in our products' sales prices. While many of our materials and components are available from multiple suppliers at competitive prices, we obtain some of the components, including compressors and engines, used in our products from a limited group of suppliers. We occasionally experience long lead times for components, including compressors and engines, from our suppliers and, therefore, we may at times make purchases in anticipation of future orders.

Properties

We conduct our operations in a variety of locations throughout the United States, Latin America and the Eastern Hemisphere. The following table describes the material facilities we owned or leased as of December 31, 2014:

Location	Status	Square Feet	Use
Houston, Texas	Owned	261,600	Corporate office, product sales
Camacari, Brazil	Owned	86,112	Contract operations and aftermarket services
Comodoro Rivadavia, Argentina	Owned	26,000	Contract operations and aftermarket services
Neuquen, Argentina	Leased	47,500	Contract operations and aftermarket services
Neuquen, Argentina	Owned	38,798	Contract operations and aftermarket services
Reynosa, Mexico	Owned	24,347	Contract operations and aftermarket services
Santa Cruz, Bolivia	Leased	22,017	Contract operations and aftermarket services
Bangkok, Thailand	Leased	36,611	Aftermarket services
Port Harcourt, Nigeria	Leased	19,031	Aftermarket services
Broken Arrow, Oklahoma	Owned	141,549	Product sales
Columbus, Texas	Owned	219,552	Product sales
Hamriyah Free Zone, UAE	Leased	212,742	Product sales
Houston, Texas	Owned	343,750	Product sales
Jebel Ali Industrial Area, UAE	Leased	112,378	Product sales
Mantova, Italy	Owned	654,397	Product sales
Singapore, Singapore	Leased	111,693	Product sales
Youngstown, Ohio	Leased	65,000	Product sales

Environmental and Other Regulations

Government Regulation

Our operations are subject to stringent and complex U.S. federal, state, local and international laws and regulations that could have a material impact on our operations or financial condition. Our operations are regulated under a number of laws governing, among other things, discharges of substances into the air and regulated waters, the generation, transportation, treatment, storage and disposal of hazardous and non-hazardous substances, disclosure of information about hazardous materials used or produced in our operations, and occupational health and safety.

Compliance with these environmental laws and regulations may expose us to significant costs and liabilities and cause us to incur significant capital expenditures in our operations. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, imposition of investigatory and remedial obligations, and the issuance of injunctions delaying or prohibiting operations. In certain circumstances, laws may impose strict, joint and several liability without regard to fault or the legality of the original conduct on classes of persons who are considered to be responsible for the release of hazardous substances into the environment. In addition, it is not uncommon for third-parties to file claims for personal injury, property damage and recovery of response costs allegedly caused by hazardous substances or other pollutants released into the environment. We currently own or lease, and in the past have owned or leased, a number of properties that have been used in support of our operations for a number of years. Although we have utilized operating and disposal practices that were standard in the industry at the time, hydrocarbons, hazardous substances, or other regulated wastes may have been disposed of or released on or under the properties owned or leased by us or on or under other locations where such materials have been taken for disposal by companies sub-contracted by us. In addition, many of these properties have been previously owned or operated by third parties whose treatment and disposal or release of hydrocarbons, hazardous substances or other regulated wastes was not under our control. These properties and the

materials released or disposed thereon may be subject to various laws that could require us to remove or remediate historical property contamination, or to perform certain operations to prevent future contamination. We are not currently under any order requiring that we undertake or pay for any cleanup activities. However, we cannot provide any assurance that we will not receive any such order in the future.

The clear trend in environmental regulation is to place more restrictions on activities that may affect the environment, and thus, any changes in these laws and regulations that result in more stringent and costly waste handling, storage, transport, disposal, emission or remediation requirements could have a material adverse effect on our results of operations and financial position.

Employees

As of June 30, 2015, we had approximately 7,000 employees. Many of our employees outside of the United States are covered by collective bargaining agreements. We and Exterran Holdings generally consider our relationships with our employees to be satisfactory.

Legal Proceedings

We are subject to various legal proceedings and claims arising in the ordinary course of our business. Our management does not expect the outcome of any of these known legal proceedings, individually or collectively, to have a material adverse effect on our financial condition or results of operations.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In connection with the spin-off, we intend to enter into several agreements with Archrock to define our ongoing relationship with Archrock after the spin-off. These agreements will, among other things, allocate responsibility for obligations arising before and after the distribution date, including, among others, obligations relating to our employees, various transition services and taxes. In addition, we intend to enter into a supply agreement and related storage agreements on arm's length terms that, among other things, will set forth the terms under which we will provide Archrock and Archrock Partners with fabricated equipment. We also expect to enter into a services agreements with Archrock on arm's length terms that will set forth the terms under which we and Archrock will provide each other with installation, start-up, commissioning and other services. For more information about those agreements with Archrock, please read "Relationship with Archrock After the Spin-Off."

Related Person Transactions Policies and Procedures

We expect that our board of directors will adopt a policy, which will be made available on our website on or prior to the distribution date, providing for the review by the Audit Committee of our Board of Directors of any transaction, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which (1) the aggregate amount involved will or may be expected to exceed $120,000 in any calendar year, (2) we (or any of our subsidiaries) are a participant and (3) any of our directors, executive officers, or greater than 5% shareholders, or any of their immediate family members, has or will have a material direct or indirect interest. We expect that the Audit Committee would approve or ratify only those transactions that it determines in good faith are in, or are not inconsistent with, the best interests of us and our shareholders. We refer to any such transaction as a related person transaction. In addition to this policy, our Code of Business Conduct, which will be available on our website on or prior to the distribution date, will have specific provisions addressing actual and potential conflicts of interest. Our Code of Business Conduct will provide that no director, officer or employee may use or attempt to use his or her position at the company, or his or her relationship with the company, to obtain any personal benefit for himself or herself or for any other person and will require appropriate disclosures of potential conflicts of interest.

RELATIONSHIP WITH ARCHROCK AFTER THE SPIN-OFF

Historical Relationship with Exterran Holdings

We are currently a wholly owned subsidiary of Exterran Holdings. As a result of our relationship with Exterran Holdings, in the ordinary course of our business, we and our subsidiaries have received various services provided by Exterran Holdings and some of its other subsidiaries, including internal accounting, information technology and systems, legal, tax, internal audit, human resources, provision of real property, risk management, treasury and other services. Our historical financial statements include allocations by Exterran Holdings of a portion of its overhead costs related to those services. These cost allocations have been determined on a basis that we and Exterran Holdings consider to be reasonable reflections of the use of those services. We also intend to enter into certain agreements with Archrock, which are further described below.

Exterran Holdings' Distribution of Our Stock

Exterran Holdings is our parent company. In the spin-off, Exterran Holdings will distribute 100% of our common stock to its shareholders in a transaction that is intended to be tax-free to us and such shareholders for U.S. federal income tax purposes (other than with respect to any cash received in lieu of fractional shares). The spin-off is subject to a number of conditions, some of which are more fully described under "The Spin-Off—Spin-Off Conditions and Termination."

Agreements Between Archrock and Us

In the discussion that follows, we have described the material provisions of agreements we intend to enter into with Archrock. The descriptions of those agreements are not complete and are qualified by reference to the terms of the agreements we intend to enter into with Archrock in connection with the completion of the spin-off, the forms of which will be filed as exhibits to the Registration Statement on Form 10 of which this information statement is a part. We encourage you to read the full text of those agreements. We will enter into those agreements in the context of our relationship as a wholly owned subsidiary of Archrock.

Separation and Distribution Agreement

The separation and distribution agreement to be entered into among Archrock and certain of its subsidiaries, on the one hand, and us and certain of our subsidiaries, on the other hand, will govern the separation of our businesses from Exterran Holdings, the subsequent distribution of shares of our common stock to Exterran Holdings' shareholders and other matters related to Archrock's relationship with us.

Generally, the separation and distribution agreement will include Archrock's and our agreements relating to the restructuring steps to be taken to complete the separation, including the assets and rights to be transferred, liabilities to be assumed or retained, contracts to be assigned and related matters. Subject to the receipt of required governmental and other consents and approvals, in order to accomplish the separation, the separation and distribution agreement will enable the parties to transfer specified assets (including the equity interests of certain subsidiaries of Exterran Holdings) and liabilities to divide the businesses we will conduct following the spin-off from those that will be conducted by Archrock. In addition, we will agree in the separation and distribution agreement that we and our affiliates will cooperate with Exterran Holdings to accomplish a distribution by Exterran Holdings to its shareholders of our common stock in the spin-off that is generally tax-free to Exterran Holdings and its shareholders for U.S. federal income tax purposes, except to the extent that cash is received in lieu of fractional shares.

Except as expressly set forth in the separation and distribution agreement or any ancillary agreement, neither we nor Exterran Holdings will make any representation or warranty as to the assets,

equity interests, business or liabilities transferred, retained or assumed as part of the separation, as to any approvals or notifications required in connection with the transfers, as to the value or freedom from any security interests of any of the assets transferred, as to the absence or presence of any defenses or right of setoff or freedom from counterclaim with respect to any claim or other asset of either Exterran Holdings or us or as to the legal sufficiency of any assignment, document or instrument delivered to convey title to any asset or thing of value transferred in connection with the separation. All assets will be transferred on an "as is," "where is" basis and the respective transferees will bear the economic and legal risks that any conveyance will prove to be insufficient to vest in the transferee good and marketable title, free and clear of any security interest, and that any necessary consents or governmental approvals are not obtained or that any requirements of laws, agreements, security interests or judgments are not complied with.

The separation and distribution agreement will require Archrock and us to endeavor to obtain consents, approvals and amendments required to novate or assign the assets and liabilities that are to be transferred or retained pursuant to the separation and distribution agreement as soon as reasonably practicable.

In addition, the separation and distribution agreement will contain certain noncompetition provisions addressing restrictions for three years after the spin-off on our ability to provide contract operations and aftermarket services in the United States and on Archrock's ability to provide contract operations and aftermarket services outside of the United States and to provide products for sale worldwide that compete with our current product sales business, subject to certain exceptions. These exceptions include: (i) the sale as scrap of any inventory held by Archrock or us; (ii) our right to sell any engines, compressors, coolers or control panels owned as of the date of the spin-off; (iii) our right to provide water processing and treatment services to customers within the United States; (iv) our right to provide aftermarket services on production equipment or on equipment of the type manufactured or sold by our subsidiary Belleli Energy B.V. and its subsidiaries; (v) the sale by either Archrock or us of used equipment (including any overhauls to such used equipment); (vi) our right to provide make-ready services or installation, commissioning or warranty services in connection with the provision of aftermarket services in the United States on production equipment; (vii) Archrock's right to manufacture, hold or sell generator sets; (viii) our right to provide installation, start-up, commission and warranty services on products manufactured or sold by us; and (ix) Archrock's right to provide aftermarket services on production equipment owned by Archrock or located on a site where Archrock provides compression services that are not otherwise prohibited by the terms of the non-compete. In addition, we or Archrock may engage in a merger, acquisition, consolidation or other business combination with a third party that results in Archrock or us (through the entity surviving a merger or one or more subsidiaries thereof), as the case may be, engaging in a prohibited business under the non-compete, as long as such business does not represent 20% or more of such third party's consolidated gross margin or 10% or more of the consolidated gross margin of Archrock, us or such surviving entity, as the case may be, on a pro forma basis. In the event we or Archrock engage in such a prohibited business combination, we or Archrock, as applicable, will have a period of 365-days to cure such breach, including by divestiture of the acquired business.

The separation and distribution agreement will also contain restrictions for two years after the spin-off on our and Archrock's ability to solicit, recruit or hire any then current employee of the other company, subject to certain exceptions.

In addition, pursuant to the separation and distribution agreement, in connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive payments based on a notional amount corresponding to payments received by our subsidiaries from PDVSA Gas in respect of the sale of our previously nationalized assets promptly after our subsidiaries collect such amounts until Archrock's subsidiary has received an aggregate amount of such payments equal to the lesser of (x) $150.0 million, less the aggregate amount of installment payments received from PDVSA Gas by Exterran Holdings and its subsidiaries after August 31, 2015 but before the completion of the spin-off,

plus the aggregate amount of all reimbursable expenses incurred by Archrock and its subsidiaries in connection with recovering any default installment payments directly from PDVSA Gas following the completion of the spin-off or (y) $150.0 million.

In addition, pursuant to the separation and distribution agreement, EESLP will use its commercially reasonable efforts to complete one or more unsecured debt offerings or equity issuances resulting in aggregate gross cash proceeds of at least $250.0 million on the terms described in the credit agreement (such transaction, a "qualified capital raise") on or before the maturity date of our $245.0 million term loan facility, which is currently expected to be the second anniversary of the completion of the spin-off or as soon as practicable thereafter. In connection with the internal distribution, EESLP will contribute to a subsidiary of Archrock the right to receive, promptly following the occurrence of a qualified capital raise, a $25.0 million cash payment.

Pursuant to the terms of the separation and distribution agreement, we will acquire all rights and interests in and title to the "Exterran" name and trademarks. Archrock will be required to discontinue all use of the "Exterran" name and trademarks as promptly as practicable and will be prohibited from using such name and trademarks beyond the 180-day period following the completion of the spin-off.

The separation and distribution agreement will also govern the treatment of aspects relating to indemnification, insurance, confidentiality and cooperation.

The separation and distribution agreement will specify those conditions that must be satisfied or waived by Exterran Holdings prior to the distribution. In addition, Exterran Holdings will have the right to determine the date and terms of the distribution, and will have the right, at any time until completion of the distribution, to determine to abandon or modify the distribution and to terminate the separation and distribution agreement.

Tax Matters Agreement

Prior to the spin-off, we and Archrock will enter into a tax matters agreement that will govern our respective rights, responsibilities, and obligations with respect to tax liabilities and benefits, tax attributes, the preparation and filing of tax returns, the control of audits and other tax proceedings, and certain other matters regarding taxes.

Our obligations under the tax matters agreement are not limited in amount or subject to any cap. Further, even if we are not responsible for tax liabilities of Archrock and its subsidiaries under the tax matters agreement, we nonetheless could be liable under applicable tax law for such liabilities if Archrock were to fail to pay them. If we are required to pay any liabilities under the circumstances set forth in the tax matters agreement or pursuant to applicable tax law, the amounts may be significant.

The tax matters agreement also will require us and Archrock to comply with the representations made to legal counsel in connection with the Tax Opinion, and will contain restrictions on our ability (and the ability of any member of our group) to take, or fail to take, actions that could cause the spin-off to fail to qualify as a tax-free reorganization for U.S. federal income tax purposes, including entering into any transaction or series of transactions as a result of which any person or group of persons would acquire or have the right to acquire from us or holders of our stock amounts of our stock greater than certain threshold amounts, or issuing our stock in an offering in amounts greater than certain threshold amounts. Certain of these restrictions will apply for the two-year period after the distribution, unless we obtain a private letter ruling from the IRS or a written opinion of a nationally recognized law firm that such action will not cause the distribution or certain related transactions to fail to qualify as tax-free transactions for U.S. federal income tax purposes. Notwithstanding receipt of such ruling or opinion, in the event that such action causes the distribution or certain related transactions to fail to qualify as a tax-free transaction for U.S. federal income tax purposes, we could be responsible for taxes arising therefrom.

Under the tax matters agreement and subject to certain exceptions, we generally will be liable for, and will indemnify Archrock against, taxes attributable to our business, and Archrock generally will be liable for, and will indemnify us against, all taxes attributable to its business. We generally will be liable for, and will indemnify Archrock against, 50% of certain taxes that are not clearly attributable to our business or Archrock's business.

Employee Matters Agreement

Prior to the distribution, Archrock will enter into an employee matters agreement with us. The employee matters agreement will allocate the liabilities and responsibilities between Archrock and Exterran Corporation relating to employee compensation and benefit plans and programs, including the treatment of retirement, health and welfare plans and equity and other incentive plans and awards. The key provisions of the employee matters agreement will include the following:

Equity Award Adjustments.

- *Stock Options.* Immediately prior to the distribution, each outstanding Archrock Option that was granted prior to calendar year 2015, whether vested or unvested, will be split into two options, consisting of an adjusted Archrock Option and an Exterran Corporation Option. Each Archrock Option that was granted on or after January 1, 2015 and is held by an Exterran Corporation Employee will be converted solely into an Exterran Corporation Option. Each Archrock Option that was granted on or after January 1, 2015 and that is held by an Archrock Employee will be adjusted to cover Archrock shares. However, each Archrock Option that is intended to qualify as an "incentive stock option" (within the meaning of Section 422 of the Code), whether granted during or prior to 2015, and that is held by an Archrock Employee or Exterran Corporation Employee who elected, prior to the distribution, to preserve the tax treatment of their Archrock incentive stock options, will be converted solely into an option denominated in shares of common stock of such employee's post-distribution employer. In addition, notwithstanding the foregoing, each Archrock Option held by an individual who, as of the effective time of the distribution, is a former employee or other service provider of Exterran Corporation or Archrock (or their respective affiliates) will be adjusted solely into an Archrock Option covering Archrock shares.

- *Restricted Stock, Restricted Stock Units and Performance Units.* Immediately prior to the distribution, each Archrock Stock Award that was granted prior to calendar year 2015 will be split into two awards, consisting of an Archrock Stock Award and an Exterran Corporation Stock Award. Each Archrock Stock Award that was granted in calendar year 2015 and that is held by an Exterran Corporation Employee will be converted into an Exterran Corporation Stock Award covering Exterran Corporation shares. Each Archrock Stock Award that was granted in calendar year 2015 and that is held by an Archrock Employee will be adjusted to cover Archrock shares.

- *General Terms.* Equity awards that are adjusted as described above will generally be subject to the same terms and conditions (including any applicable vesting, performance condition and/or expiration provisions) as applied to the underlying Archrock awards immediately prior to the distribution, subject to certain additional accelerating vesting provisions as described above in "Treatment of Stock-Based Awards."

Cash Incentive Compensation. Our employees and Exterran Holdings employees currently participate in a cash incentive program under which they are eligible to earn performance-based cash incentives. Prior to or in connection with the distribution, our employees will cease to participate in the current cash incentive program. In connection with the distribution, we will assume responsibility for cash incentive payments to our current and former employees that are earned or accrued prior to the

distribution date under the current Exterran Holdings cash incentive plan. Upon completion of the spin-off, we may maintain a cash incentive program for the benefit of our employees.

Health and Welfare Plans. Generally, Exterran Holdings employees currently participate in health and welfare plans sponsored by us, including but not limited to medical, dental, and life insurance plans. Prior to or in connection with the distribution, Archrock's employees will cease to participate in our health and welfare plans, and Archrock will establish health and welfare plans that are substantially similar to our health and welfare plans for the benefit of its employees.

Equity Plan. Our employees currently participate in equity incentive plans maintained by Exterran Holdings. Prior to the distribution, Exterran Corporation will adopt an equity incentive plan for the benefit of its employees.

401(k) Plan. Certain of our employees currently participate in a 401(k) plan that we sponsor. In connection with the distribution, Archrock Employees will cease to participate in our 401(k) plan, and Archrock will establish a replacement 401(k) plan for the benefit of Archrock Employees. The account balances of Archrock Employees will be transferred from our 401(k) plan to the new Archrock 401(k) plan in connection with the transfer of their participation to the new Archrock plan.

Non-Qualified Deferred Compensation Plan. Certain of our employees currently participate in a non-qualified deferred compensation plan sponsored by Exterran Holdings. In connection with the distribution, Exterran Corporation Employees will cease to participate in the Exterran Holdings non-qualified deferred compensation plan, and we will establish a replacement deferred compensation plan for the benefit of Exterran Corporation Employees. The account balances and Rabbi trust assets of Exterran Corporation Employees will be transferred from the Exterran Holdings non-qualified deferred compensation plan and related Rabbi trust to our new non-qualified deferred compensation in connection with the transfer of their participation to our new plan.

Director Stock and Deferral Plan. Certain of Exterran Holdings' non-employee directors currently participate in a director stock and deferral plan maintained by Exterran Holdings. Prior to the distribution, we will adopt a new director stock and deferral plan for the benefit of our eligible non-employee directors.

Employment Law Liabilities. In connection with the distribution, employment-related liabilities for Archrock Employees and Exterran Corporation Employees will transfer to their respective post-distribution employers. Employment-related liabilities for former employees or other service providers of Archrock and former employees or other service providers of Exterran Corporation will be allocated to either Archrock or Exterran Corporation based on whether such individuals substantially conducted Archrock or Exterran Corporation business at the time the underlying claim arose. However, notwithstanding the foregoing, liabilities for former employees or other service providers of Archrock and former employees or service providers of Exterran Corporation who conducted both Archrock and Exterran Corporation business prior to the distribution and liabilities arising in connection with transfers of employment in connection with the spin-off will be allocated 50% to Archrock and 50% to Exterran Corporation. In addition, liabilities relating to (i) actions brought with respect to an employee benefit plan in which both Archrock Employees and Exterran Corporation Employees were eligible to participate prior to the distribution and based on events occurring prior to the distribution and (ii) the form, terms and conditions of, or the administration, operation, or maintenance of employee benefit plans in which both Archrock Employees and Exterran Corporation Employees were eligible to participate prior to the distribution, in each case, will be allocated 50% to Archrock and 50% to Exterran Corporation.

Transition Services Agreement

In connection with the spin-off, we and Archrock will enter into a transition services agreement under which we and Archrock will provide and/or make available to each other certain services and assets, for specified periods beginning on the distribution date. The personnel performing services for Archrock under the transition services agreement will be employees and/or independent contractors of ours. The transition services agreement will also contain customary indemnification provisions.

Transition services may include accounting, administrative, payroll, human resources, environmental health and safety, real estate, fleet, financial audit support, legal, tax, treasury and other support and corporate services, and each service will be provided at a predetermined rate set forth in the transition services agreement. Each service provided under the agreement will have its own duration generally up to one year, extension terms and monthly cost, and the transition services agreement will terminate upon cessation of all services provided thereunder.

Supply and Storage Agreements

In connection with the spin-off, we intend to enter into a supply agreement on arm's length terms that, among other things, will set forth the terms under which we will provide Archrock and Archrock Partners with fabricated equipment on an exclusive basis. This supply agreement will have an initial term of two years, extendable for additional one-year terms by mutual agreement of the parties.

Pursuant to the supply agreement, each of Archrock and Archrock Partners will be required to purchase its requirements of newly fabricated compression equipment from us, subject to certain exceptions. In the event that Archrock or Archrock Partners requires, from time to time and in good faith, equipment to be delivered in advance of the anticipated delivery date agreed to among the parties, we may, but will not be required to, accept the revised delivery date. In such case, we may propose a revised order price or alternative delivery date, in which case Archrock or Archrock Partners, as applicable, may accept our revised order price and revised delivery date or, if our proposed price exceeds the initial price or our proposed delivery date is later than the delivery date proposed by Archrock or Archrock Partners, as applicable, acquire the equipment subject to such order from a third party at a price lower than our proposed price and/or with a delivery date no later than the later of our proposed delivery date or Archrock or Archrock Partner's proposed delivery date, as applicable.

In addition, if either Archrock or Archrock Partners acquires a new business that is not party to a firm supply agreement, then Archrock or Archrock Partners, as applicable, shall use its commercially reasonable efforts to order such business's newly fabricated compressor requirements from us. If, however, the new business is already party to a firm supply agreement, then Archrock or Archrock Partners, as applicable, can continue to order such equipment under that existing third-party supply agreement as long as orders for the succeeding twelve month period do not exceed such business's orders for the prior twelve month period.

Each of Archrock and Archrock Partners will have the right to terminate this supply agreement in the event of a force majeure and in certain other circumstances. If our on-time delivery rate over a given 90-day period beginning no earlier than February 1, 2016 is less than 95% and we fail to improve our on-time delivery rate to over 95% in the succeeding 90-day period, then either Archrock or Archrock Partners may terminate the supply agreement. In addition, if the aggregate expense we incur repairing natural gas compressors we fabricate and under warranty over a 90-day period exceeds 2.5% of (i) the total dollar amount of sales of natural gas compressors to Archrock and Archrock Partners for the four most recently completed, non-overlapping 90-day periods, divided by (ii) four (or, prior to the first anniversary of the spin-off, 2.5% of (x) the total dollar amount of sales of natural gas compressors to Archrock and Archrock Partners for each non-overlapping 90-day period since the date of the spin-off, divided by (y) the number of 90-day periods since the date of the spin-off), and we fail to reduce such average cost to less than 2.5% of the average specified above during the succeeding 90-day period, then either Archrock or Archrock Partners may terminate the supply agreement. Each

of Archrock and Archrock Partners will also have the right to cancel individual orders under the supply agreement for convenience with forty-five days' notice to us; provided, however, that Archrock or Archrock Partners, as applicable, will pay to us the actual costs incurred in connection with fulfilling such order prior to termination plus 15% of such costs. We will also enter into a storage agreement that, among other things, will establish the terms under which we will provide each of Archrock and Archrock Partners with storage space for equipment purchased under the supply agreement, as well as an additional storage agreement that will establish the terms under which Archrock will provide storage space to us for certain of our equipment.

Services Agreements

In connection with the spin-off, we intend to enter into non-exclusive services agreements with Archrock on arm's length terms that, among other things, will set forth the terms under which we will provide Archrock (or Archrock's customers on its behalf) with engineering, preservation and installation and commissioning services and Archrock will provide us (or our customers on our behalf) with make-ready, parts sales, preservation and installation and commissioning services. These services agreements will continue in effect until terminated by either party on 30 days' written notice.

MANAGEMENT

Directors and Executive Officers

The following table shows information about our directors and executive officers following the completion of the spin-off:

Name	Age	Position
Mark R. Sotir	51	Executive Chairman
Andrew J. Way	44	President and Chief Executive Officer and Director Nominee
Jon C. Biro	49	Senior Vice President and Chief Financial Officer
Steven W. Muck	63	Senior Vice President, International Operations
Daniel K. Schlanger	41	Senior Vice President, Sales and Marketing
Christopher T. Werner	53	Senior Vice President, Fabrication Services
William M. Goodyear	67	Director Nominee
John P. Ryan	63	Director Nominee
Christopher T. Seaver	67	Director Nominee
Richard R. Stewart	66	Director Nominee
Ieda Gomes Yell	59	Director Nominee

Board of Directors

Following the spin-off, our business and affairs will be managed under the direction of our board of directors. Our amended and restated certificate of incorporation and amended and restated bylaws will provide that the number of directors may be fixed by the board from time to time. As of the distribution date, our board of directors will consist of the individuals listed below. The present principal occupation or employment and five-year employment history of each individual follows the list below.

Mr. Mark R. Sotir will serve as the Executive Chairman of our Board. Prior to the completion of the spin-off, Mr. Sotir served as Executive Chairman of the board of directors of Exterran Holdings since April 2013, and served as its Executive Vice Chairman from December 2011 to April 2013. Mr. Sotir has also served as Managing Director of Equity Group Investments, a private investment firm ("EGI"), since November 2006. While at EGI, he served as the interim president of Tribune Interactive, a division of Tribune Company, a media conglomerate, from December 2007 until April 2008. Tribune Company filed for protection under Chapter 11 of the Bankruptcy Code in December 2008. Prior to joining EGI, Mr. Sotir was the Chief Executive Officer of Sunburst Technology Corporation, an independent distributor of educational software to public schools, from August 2003 to November 2006. Prior to joining Sunburst, Mr. Sotir held various positions with the Budget Group, Inc., a national car and truck rental business, from 1995 to 2003, including as President and Chief Operating Officer from 2000 to 2003. Mr. Sotir serves on the board of directors of several EGI portfolio companies, including Rewards Network Inc., a dining rewards company; SIRVA Inc., a provider of moving and relocation services; and Veridiam, a specialty manufacturer in the nuclear aerospace and medical industry. Mr. Sotir received a B.A. in Economics from Amherst College and an M.B.A. from Harvard Business School.

Mr. Sotir brings to our Board extensive operational experience, gained by serving in key management and leadership roles in a wide range of industries. His operational experience includes brand management, sales, marketing and distributions, as well as finance. In addition, Mr. Sotir serves as a director for several companies representing a diversity of industries. We believe Mr. Sotir's

operational experience in key leadership and director roles make him well qualified to serve as a member of our Board.

Prior to the completion of the spin-off, Mr. William M. Goodyear served on the board of directors of Exterran Holdings since April 2013. Mr. Goodyear served as Executive Chairman of the board of directors of Navigant Consulting, Inc., a specialized, global consulting firm, from May 2000 to June 2014 and as its Chief Executive Officer from May 2000 to February 2012. Prior to December 1999, Mr. Goodyear served as Chairman and Chief Executive Officer of Bank of America Illinois and President of Bank of America's Global Private Bank. Between 1972 and 1999, Mr. Goodyear held a variety of positions with Continental Bank (subsequently Bank of America), specializing in corporate finance, corporate lending, trading and distribution. During his tenure with Continental Bank, Mr. Goodyear managed the bank's European and Asian Operations and served as Vice Chairman of Continental Bank's Board of Directors prior to its 1994 merger with Bank of America. Mr. Goodyear is a member of the board and chairman of the audit committee of Enova International, Inc., a multinational provider of online financial services to individual consumers. He is also a member of the Board of Trustees of the University of Notre Dame and the Museum of Science and Industry—Chicago and serves as Chairman of the Rush University Medical Center. Mr. Goodyear received a B.B.A. from the University of Notre Dame and an M.B.A. from the Amos Tuck School of Business at Dartmouth College.

As the former Chief Executive Officer and former Executive Chairman of the Board of Navigant Consulting, Inc., Mr. Goodyear has significant business consulting experience, including with operational, risk management, financial, regulatory and dispute advisory services. As a former chief executive officer, he also has significant experience in management and business strategy, and as a former public company chairman he is familiar with a full range of board functions. We believe Mr. Goodyear's experience and leadership skills make him well qualified to serve as a member of our Board.

Prior to the completion of the spin-off, Mr. John P. Ryan served on the board of directors of Exterran Holdings since April 2013. Mr. Ryan previously served as President and Chief Executive Officer of Dresser, Inc., a global provider of flow control products, measurement systems and other infrastructure technologies to the oil and gas and power generation industries, from May 2007 until February 2011. Mr. Ryan was President and Chief Operating Officer of Dresser, Inc. from December 2004 to June 2007. From 1987 to 2004, Mr. Ryan was employed by Dresser Wayne where he served as President from 1996 to 2004 and as Vice President from 1991 to 1996. Mr. Ryan also currently serves as a director of Hudson Products, Inc., a company engaged in the design, manufacture and servicing of heat transfer equipment for the petroleum, chemical, gas processing and electric utility industries; Wayne Fueling Systems, Inc., a privately-held global supplier of fuel dispensers, payment terminals and other measurement and control solutions to the retail and commercial fueling industry; and The Village of Hope, a non-profit organization. He served on the board of directors of FlexEnergy, LLC, a provider of oil field turbine generators and environmental solutions for power generation, landfill gas and digester gas applications, from January 2012 to April 2013. Mr. Ryan received a B.A. from Villanova University.

Mr. Ryan has relevant industry and functional experience, including a combination of commercial, operational, and financial skills. As the former chief executive officer of Dresser, Inc., Mr. Ryan has significant international experience and energy industry knowledge. With an early career in engineering, manufacturing and sales, Mr. Ryan also brings a thorough understanding of these disciplines. For these reasons, we believe Mr. Ryan is well qualified to serve as a member of our Board.

Prior to the completion of the spin-off, Mr. Christopher T. Seaver served on the board of directors of Exterran Holdings since October 2008. Prior to joining the Exterran Holdings board, Mr. Seaver served as Chairman of the board of directors of Hydril Company, an oil and gas service company

specializing in pressure control equipment and premium connections for casing and tubing from 2006 until his retirement in May 2007. Mr. Seaver held a series of domestic and international management positions at Hydril Company from 1985 to May 2007, including as President since 1993 and CEO and Director since 1997. Prior to joining Hydril Company, Mr. Seaver was a corporate and securities attorney for the law firm of Paul, Hastings, Janofsky & Walker LLP, and was a Foreign Service Officer in the U.S. State Department with postings in Kinshasa, Republic of Congo and Bogotá, Colombia. Mr. Seaver currently serves as a director and member of the audit committee of Oil States International, Inc., an oil service company specializing in manufacturing of products for offshore production and drilling, rental tools and US land drilling services; a director and Chairman of McCoy Global Inc., a Canadian oil service company principally providing power tongs and related equipment; and a director of The Seaver Institute, a private, non-profit foundation. Mr. Seaver was a director of Innovative Wireline Solutions Inc., a start-up Canadian wireline services company, from July 2010 to October 2011, and he has also served as a director and officer of the Petroleum Equipment Suppliers Association, a director of the American Petroleum Institute, and a director and Chairman of the National Ocean Industries Association. Mr. Seaver received an A.B. in Economics from Yale University and a J.D. and an M.B.A. from Stanford University.

Through his former roles as President, Chief Executive Officer and Chairman of the Board of a publicly traded oil and gas services company, Mr. Seaver brings to our Board both the perspective of an executive officer as well as that of a director. He has both domestic and international management and operations experience and has been heavily involved in many industry trade and professional organizations. His tenure with the U.S. State Department makes him well-versed in international cultures and the challenges and opportunities presented by conducting business in developing countries. We believe this knowledge and experience, together with his service on the boards of other energy services companies, make Mr. Seaver well qualified to serve as a member of our Board.

Prior to completion of the spin-off, Mr. Richard R. Stewart served on the board of directors of Exterran Holdings since April 2015. Mr. Stewart previously served as President and Chief Executive Officer of GE Aero Energy, a division of GE Power Systems, and as an officer of General Electric Company, from February 1998 until his retirement in 2006. From 1972 to 1998, Mr. Stewart served in various positions at Stewart & Stevenson Services, Inc., including as Group President and member of the board of directors. Mr. Stewart is a director and Chairman of the Governance Committee of Eagle Materials Inc., a U.S. manufacturer and distributor of building materials; director and Chairman of the Audit Committee of Kirby Corporation, a tank barge operator; and director of TAS, a privately held company providing energy conversion solutions. Mr. Stewart served as a director of Lufkin Industries, Inc., an oilfield equipment and power transmission products company, from October 2009 until its acquisition by General Electric in July 2013. Mr. Stewart received a B.B.A. in Finance from the University of Texas.

Mr. Stewart brings business knowledge and leadership experience, as well as familiarity with corporate governance issues, as a result of his prior service as chief executive officer of a manufacturing company, as an officer of General Electric and as a member of the boards of other public companies, which we believe make him well qualified to serve as a member of our Board.

Mr. Andrew J. Way will serve as our President and Chief Executive Officer following the spin-off, prior to which time he was hired by Exterran Holdings to serve as its Executive Vice President effective on or about July 1, 2015. Mr. Way served as Vice President and CEO—Drilling and Surface Production of GE Oil & Gas, a provider of equipment and services in the oil and gas space, from 2012 through June 2015. Mr. Way joined GE Oil & Gas in October 2007 and, prior to taking his current position, served as GM Operations, Turbo Machinery Services from October 2007 to December 2008, as GM, Global Supply Chain from December 2008 to December 2010, and as Vice President and CEO—Turbo Machinery Services from December 2010 to June 2012. Prior to joining GE Oil & Gas, Mr. Way served as Operations/Managing Director—GE Equipment Services of GE Capital from 2001 to 2007 and held

various positions at GE Aviation from 1996 to 2001. Mr. Way studied Mechanical Engineering and graduated from the technical leadership program with Lucas Industries in Wales, U.K.

Mr. Way's almost two decades of experience with General Electric in a variety of leadership roles, including with GE Oil & Gas as a provider of oil and gas equipment and services has provided him with worldwide and broad industry experience and a deep understanding of operational opportunities and challenges. Mr. Way's business judgment, management experience and leadership skills are highly valuable in assessing our business strategies and accompanying risks. We believe that this experience, Mr. Way's industry and customer relationships and the knowledge and perspective he will bring as our President and Chief Executive Officer, will make Mr. Way well qualified to serve as a member of our Board.

Prior to completion of the spin-off, Ms. Ieda Gomes Yell served on the board of directors of Exterran Holdings since April 2015. Ms. Gomes has served as the Managing Director of Energix Strategy Ltd., an independent oil and gas consultancy firm, since October 2011. Before forming Energix, Ms. Gomes served in a number of positions with BP plc and its subsidiaries from 1998 to 2011, including as President of BP Brazil, Vice President of Regulatory Affairs and Vice President of Market Development at BP Solar and Vice President of Pan American Energy. From 1995 until 1998, Ms. Gomes held a number of positions with Companhia de Gás de São Paulo, or Comgás, a Brazilian natural gas distributor, before being named President and Chief Executive Officer. Ms. Gomes is currently a non-executive director and member of the Audit and Risk and Strategic Committees at Bureau Veritas SA, a global provider of testing, inspection and certification services; a director and Chair of the Corporate Governance Committee at InterEnergy Holdings, a private power production company; a Councillor of the Brazilian Chamber of Commerce in Great Britain, a not-for-profit organization; a founding director of WILL Latam—Women in Leadership in Latin America, a not-for-profit organization; a member of the advisory board of Crystol Energy, an independent consultancy and advisory firm; and a member of the advisory board of Comgás and of the Infrastructure Department of the São Paulo Federation of Industries. Ms. Gomes is a senior visiting research fellow at the Oxford Institute of Energy Studies in the United Kingdom and Fundação Getúlio Vargas Energia in Brazil and serves as the independent chair of British Taekwondo. Ms. Gomes received her B.S. in Chemical Engineering from the University of Bahia, Brazil, an MSc. in Environmental Engineering from the Polytechnic School of Lausanne, Switzerland and an MSc. in Energy from the University of Sao Paulo, Brazil.

Throughout her career, Ms. Gomes has cultivated extensive experience in developing projects, restructuring energy businesses and advising domestic and international oil and gas companies in a variety of operational and governance matters, including developing business strategies, navigating international markets and creating growth, which we believe make her well qualified to serve as a member of our Board.

Executive Officers

Mr. Andrew J. Way will serve as our President and Chief Executive Officer following the spin-off. Information concerning the business experience of Mr. Way is provided under the heading "—Board of Directors" above.

Mr. Jon C. Biro will serve as our Senior Vice President and Chief Financial Officer following the spin-off. Mr. Biro has served as Senior Vice President and Chief Financial Officer of Exterran Holdings since September 2014 and as Senior Vice President and Director of Exterran GP LLC, the managing general partner of Exterran Partners, L.P., since October 2014. Prior to joining Exterran Holdings, Mr. Biro served as Executive Vice President and Chief Financial Officer of Consolidated Graphics, Inc., a commercial printer, from January 2008 to January 2014. Mr. Biro served in various positions at ICO, Inc., an oilfield services provider and manufacturer of specialty resins, from 1994 to 2008,

including as Chief Financial Officer and Treasurer from April 2002 to January 2008. Prior to joining ICO, Inc., Mr. Biro was a Senior Audit Accountant for PricewaterhouseCoopers LLP from 1991 to 1994. Mr. Biro served on the board of directors and audit committee of Crown Crafts, Inc., a producer and distributor of infant, toddler and juvenile consumer products, from August 2010 to August 2013. Mr. Biro also served as an officer and director of certain other Exterran Holdings majority-owned subsidiaries. Mr. Biro is a Certified Public Accountant and received a B.A. from the University of Texas and an M.S. of Accountancy from the University of Houston.

Mr. Steven W. Muck will serve as our Senior Vice President, International Operations following the spin-off. Mr. Muck has served as Senior Vice President, International Operations of Exterran Holdings since February 2015. Previously, he served as Vice President, Sales, Eastern Hemisphere, of EESLP, and was based in Dubai, United Arab Emirates, having been appointed to that position in May 2014. Mr. Muck served as a manager in EESLP's North America operations beginning in June 2009, including as a Regional Vice President from November 2009 to May 2014. From August 2007 to June 2009, he was Senior Vice President, Global Human Resources of Exterran Holdings. Mr. Muck joined Exterran Holdings through the acquisition of the compression services business of Dresser-Rand Company in August 2000, and prior to the merger of Hanover Compressor Company ("Hanover") and Universal Compression Holdings, Inc. ("Universal") to form Exterran Holdings, Inc., Mr. Muck served Hanover in a number of positions, including as Vice President, International Operations. He began his career with Ingersoll-Rand in 1975 and held various positions with both Ingersoll-Rand and Dresser Rand in field operations, sales and marketing. Mr. Muck received a B.S. in Business Administration and a B.S. in Mechanical Engineering from Kansas State University.

Mr. Daniel K. Schlanger will serve as our Senior Vice President, Sales and Marketing following the spin-off. Mr. Schlanger has served as Senior Vice President, Sales and Marketing of Exterran Holdings since February 2015 and as Senior Vice President and director of Exterran GP LLC since October 2006. Mr. Schlanger served as Chief Financial Officer of Exterran GP LLC from June 2006 through March 2009 and as Senior Vice President, Operations Services of Exterran Holdings from February 2009 through February 2015. From May 2006 until the merger of Hanover and Universal, Mr. Schlanger served as Vice President, Corporate Development of Universal Compression, Inc., a wholly owned subsidiary of Universal. From August 1996 through May 2006, Mr. Schlanger was employed as an investment banker with Merrill Lynch & Co. where he focused on the energy sector. Mr. Schlanger also served as an officer and director of certain other Exterran Holdings majority-owned subsidiaries. Mr. Schlanger holds a B.S. in Economics from the University of Pennsylvania.

Mr. Christopher T. Werner will serve as our Senior Vice President, Fabrication Services following the spin-off. Mr. Werner has served as Senior Vice President of Fabrication Services of Exterran Holdings since February 2015. Mr. Werner joined Exterran Holdings in 2009, as Vice President, Manufacturing, having served as Vice President, North America Manufacturing at Goodyear Tire & Rubber Co., a global tire manufacturer, from June 2005 to December 2008. He was Senior Vice President, Global Operations with GST AutoLeather, Inc., a private equity Tier 2 supplier in the automotive industry, from October 2003 to June 2005, and Vice President and General Manager of Hubbell Power Systems, a manufacturer of transmission, distribution and other products used by utilities, from October 2000 to December 2002. Prior to joining Hubbell, Mr. Werner served in various manufacturing leadership roles with the Hardware Division of Black & Decker, a diversified global provider of power tools, mechanical access and electronic security solutions and engineered fastening systems, from June 1993 to September 2000. Mr. Werner began his career with General Electric in 1985. He holds a B.S. in Chemical Engineering from the University of Arkansas.

Key Employees

The following table shows information about certain key members of our management team who will report to our President and Chief Executive Officer following the completion of the spin-off:

Name	Age	Position
Christine M. Michel	52	Senior Vice President, Global Human Resources and Communications
Valerie L. Banner	60	Vice President, General Counsel and Secretary

Ms. Christine M. Michel will serve as our Senior Vice President, Global Human Resources and Communications following the spin-off. Ms. Michel has served as Senior Vice President, Global Human Resources and Communications of Exterran Holdings since June 2009. Prior to joining Exterran Holdings, Ms. Michel served in a number of positions of increasing responsibility for Ford Motor Company since 1997, including as Executive Director, Human Resources, The Americas and Corporate Staffs; Executive Director, Global Compensation and Benefits; HR Manager, Corporate Finance; and HR Manager, Ford of Hungary. Ms. Michel received a B.S. in accounting and an M.B.A. from the University of Iowa.

Ms. Valerie L. Banner will serve as our Vice President, General Counsel and Secretary. Ms. Banner has served as Associate General Counsel of Exterran Holdings since June 2008 and as special counsel from August 2007 to June 2008. Prior to the merger of Hanover and Universal in August 2007, she served Universal as special counsel since December 2000, and served as Senior Vice President, General Counsel and Secretary from June 1998 through December 2000. Prior to joining Universal, Ms. Banner served as counsel for several publicly traded companies and was in private practice, having begun her career as an associate with Andrews & Kurth LLP. Ms. Banner also served as an officer and director of certain other Exterran Holdings majority-owned subsidiaries. Ms. Banner received a B.B.A. from Southern Methodist University and a J.D. from the University of Texas.

Committees of Our Board of Directors

Upon completion of the spin-off, the committees of our board of directors are expected to consist of an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. Each of the Committees will be comprised entirely of independent nonmanagement directors.

Audit Committee. The Audit Committee will be responsible for overseeing (a) the integrity of our financial statements, (b) our compliance with legal and regulatory requirements, (c) the independent auditor's qualifications and independence, and (d) the performance of our internal auditor and independent auditor. The Audit Committee will be directly responsible for the appointment, compensation, retention and oversight of our independent registered public accounting firm. The committee, among other things, will also review and discuss our financial statements with management and the independent registered public accounting firm.

Upon the commencement of the listing of our common stock, the Audit Committee is expected to consist of William M. Goodyear, Christopher T. Seaver and John P. Ryan. Subject to final determination by our board of directors, we believe that each of them will qualify as an independent director according to the rules and regulations of the SEC and the NYSE with respect to audit committee membership. We also believe, subject to final determination by our board of directors, that each of Messrs. Goodyear and Seaver will qualify as an "audit committee financial expert," as such term is defined in Item 407(d)(5) of Regulation S-K. Our board of directors will adopt a written charter for the Audit Committee in connection with the spin-off, which will be available on our corporate website upon the completion of the spin-off.

Compensation Committee. The Compensation Committee will have overall responsibility for our officer compensation plans, policies and programs and will have the authority to engage and terminate any compensation consultant or other advisors to assist the committee in the discharge of its responsibilities. Upon the commencement of the listing of our common stock, the Compensation Committee is expected to consist of William M. Goodyear, John P. Ryan, Christopher T. Seaver and Richard R. Stewart. Our board of directors will adopt a written charter for the Compensation Committee in connection with the spin-off, which will be available on our corporate website upon the completion of the spin-off.

Nominating and Governance Committee. The Nominating and Governance Committee, in addition to other matters, will: (1) identify and recommend qualified candidates to the board of directors for nomination as members of the board of directors; (2) make recommendations respecting the composition of the board of directors and its committees and (3) monitor compliance with corporate governance standards. Upon the commencement of the listing of our common stock, the Nominating and Governance Committee is expected to consist of John P. Ryan, Christopher T. Seaver and Ieda Gomes Yell. Our board of directors will adopt a written charter for the Nominating and Governance Committee in connection with the spin-off, which will be available on our corporate website upon the completion of the spin-off.

Director Compensation

We currently anticipate that, following the completion of the spin-off, our non-employee directors will receive compensation for their service on the board. However, we have not yet developed or implemented a compensation program for our non-employee directors.

Compensation Committee Interlocks and Insider Participation

None of our executive officers have served as members of a compensation committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our board of directors.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

For the purposes of the following Compensation Discussion and Analysis, certain individuals that were employed by Exterran Holdings during 2014 and that we expect will be our named executive officers as of the distribution date are identified below (collectively, our "Named Executive Officers"). These individuals, who would have been our 2014 named executive officers had we been a publicly listed company during 2014, as well as their positions with us following the spin-off, are as follows:

- *Jon C. Biro*, Senior Vice President and Chief Financial Officer;
- *Daniel K. Schlanger*, Senior Vice President, Sales and Marketing;
- *Steven W. Muck*, Senior Vice President, International Operations; and
- *Christopher T. Werner*, Senior Vice President, Fabrication Services.

During 2014, each of Messrs. Biro, Schlanger, Muck and Werner were employed by Exterran Holdings. Mr. Biro commenced employment with Exterran Holdings on September 22, 2014. During 2014, Mr. Muck served as Exterran Holdings' Regional Vice President of North America Operations through May 2014 and as its Vice President, Sales, Eastern Hemisphere thereafter. Mr. Werner served as Vice President of Manufacturing, during 2014. Messrs. Muck and Werner were promoted to Senior Vice President of International Operations and to Senior Vice President of Fabrication Services, respectively, of Exterran Holdings on February 2, 2015.

Exterran Holdings hired Andrew J. Way to serve as its Executive Vice President effective July 1, 2015. Effective as of the spin-off, Mr. Way will serve as our President and Chief Executive Officer and will be one of our named executive officers. Because he was not an employee or executive officer of us or Exterran Holdings or any of its affiliates during 2014, we have not included his 2014 compensation in the following discussion or the compensation tables that follow this Compensation Discussion and Analysis.

Exterran Holdings, its Chief Executive Officer and its compensation committee (the "Exterran Holdings Compensation Committee") determined the compensation of our Named Executive Officers during 2014. Accordingly, this section describes Exterran Holdings' compensation philosophy and programs as they pertain to the Named Executive Officers. Following the spin-off, we will have a compensation committee with responsibility for establishing our compensation philosophy and programs and determining appropriate payments and awards to our Named Executive Officers. Initially, we expect that our compensation programs and policies will be substantially similar to those utilized by Exterran Holdings immediately prior to the spin-off. However, our compensation committee has not yet been established, and we expect that our compensation committee will review these programs and policies following the spin-off. In addition, following the spin-off, we anticipate that our compensation committee will continue to develop our compensation structure, programs and policies in order to ensure that they meet our business needs and goals and that our compensation committee may make appropriate adjustments to our compensation programs and policies to ensure that they are competitive within the market in which we compete for talent.

Elements of Compensation

Exterran Holdings' executive compensation program is designed (i) to align executive officers' pay with individual and company performance in order to achieve growth, profitability and return for stockholders, and (ii) to attract and retain talented executives who are critical to short- and long-term

success. The key elements of our Named Executive Officers' compensation and the primary objectives of each are:

- *Base salary* attracts and retains talented executives, recognizes individual roles and responsibilities, and provides stable income;
- *Annual performance-based incentive compensation* promotes short-term performance objectives and rewards executives for their contributions toward achieving those objectives;
- *Long-term incentive compensation* aligns executives' interests with stockholders' interests, emphasizes long-term financial and operational performance, and helps retain key executives;
- *Retirement savings, health and welfare benefits* provide retirement income and protection against the financial hardship that can result from illness, disability or death; and
- *Severance benefit and change of control arrangements* aid in attracting and retaining executive talent, particularly during any potential transition period due to a change of control.

Each of these elements of compensation is further described below.

Exterran Holdings believes that its compensation program provides balanced incentives and does not create risks that are reasonably likely to have a material adverse effect on Exterran Holdings. Exterran Holdings periodically evaluates market best practices in executive compensation, and makes appropriate modifications to its program to ensure that it continues to meet these objectives.

Compensation Philosophy and Objectives

The primary objectives of Exterran Holdings' executive compensation program are to:

- *Pay competitively*—Exterran Holdings believes that, to attract, retain and motivate an effective management team with the level of expertise and experience needed to achieve consistent growth, profitability and return for stockholders, total compensation should be competitive with that of similarly-sized companies across a variety of industries and within the oilfield services sector, as further described below in "*How Exterran Holdings Determines Executive Compensation*."
- *Pay for performance*—The program's emphasis on performance-based, variable compensation is an important component of Exterran Holdings' overall compensation philosophy. Cash bonuses and equity-based incentive awards based on annual performance combined with time-based equity awards that vest over several years balance short-term and long-term business objectives.
- *Align management's interests with stockholders' interests*—The program's emphasis on equity-based compensation and ownership encourages executives to act strategically to drive sustainable long-term performance and enhance long-term stockholder value.

How Exterran Holdings Determines Executive Compensation

The Exterran Holdings Compensation Committee is responsible for establishing and overseeing compensation programs that are consistent with Exterran Holdings' compensation philosophy and Exterran Holdings' Chief Executive Officer is responsible for establishing and overseeing compensation programs for certain of its other employees, including, during 2014, Messrs. Muck and Werner. In carrying out this role, the Exterran Holdings Compensation Committee and Exterran Holdings' Chief Executive Officer consider the following:

- Current and past total compensation, including a review of base salary, short-term incentive pay and the value of long-term incentive awards received;

- With respect to Exterran Holdings' executive officers, data and analysis provided by the Exterran Holdings Compensation Committee's independent compensation consultant, as further detailed below;
- With respect to Exterran Holdings' executive officers, Exterran Holdings' Chief Executive Officer's recommendations;
- Company performance and operating unit performance (where applicable), as well as each executive's impact on performance;
- Each executive's relative scope of responsibility and potential;
- Individual performance and demonstrated leadership;
- Internal pay equity considerations; and
- Any other factors that the Exterran Holdings Compensation Committee or the Chief Executive Officer, as applicable, deems relevant.

No specific formula is used to determine the weight of any factor; rather, compensation is established based on the Exterran Holdings Compensation Committee's or Chief Executive Officer's, as applicable, assessment of all relevant information.

Compensation Consultant Analysis. For 2014, the Exterran Holdings Compensation Committee engaged Pearl Meyer & Partners, LLC ("PM&P"), an independent third-party compensation consultant, to:

- provide a competitive review of executive compensation, including base salary, annual incentives, long-term incentives and total direct compensation, compared with independent and objective market data; and
- provide information on how trends, new rules, regulations and laws impact executive and director compensation practice and administration.

For 2014, PM&P provided an analysis of data derived from (i) proxy statements filed by the members of Exterran Holdings' peer group, as further described below, and (ii) surveys of the compensation practices of companies in the oilfield services industry, the broader energy industry and across a variety of industries, in each case with annual revenues ranging from approximately $1.0 billion to $3.0 billion. In performing its analysis, PM&P generally placed more weight on the proxy compensation data than on the information derived from the compensation surveys.

In consultation with PM&P, the Exterran Holdings Compensation Committee selected Exterran Holdings' 2014 peer group as follows:

Basic Energy Services, Inc.	Flowserve Corporation	Patterson-UTI Energy, Inc.
Cameron International Corporation	Gardner Denver, Inc.	Regency Energy Partners, L.P.
Chicago Bridge & Iron Company N.V.	Key Energy Services, Inc.	RPC, Inc.
DCP Midstream Partners LP	McDermott International, Inc.	Superior Energy Services, Inc.
Dresser-Rand Group Inc.	Oceaneering International, Inc.	Willbros Group, Inc.
	Oil States International, Inc.	

Because many of Exterran Holdings' direct competitors are not publicly traded or are not of a comparable size, Exterran Holdings' peer group includes a diversity of oilfield services and related companies with a range of revenues and with both domestic and international operations. The Exterran Holdings Compensation Committee believes this peer group includes companies with which Exterran

Holdings competes for technical and managerial talent and provides an appropriate reference point for assessing the competitiveness of Exterran Holdings' compensation program.

For 2014, the Exterran Holdings Compensation Committee used PM&P's analysis to help structure a competitive executive compensation program, position executive compensation within a target range (by referencing the market at the 50th percentile), and make individual compensation decisions based on comparable positions at those companies with which it competes for talent. Because Messrs. Muck and Werner were not executive officers at the time the Exterran Holdings Compensation Committee made these compensation decisions, PM&P's analysis was not factored into the establishment of their compensation for 2014.

Role of Exterran Holdings' Chief Executive Officer. The most significant aspects of management's, including Exterran Holdings' Chief Executive Officer's, role in the compensation-setting process for 2014 were:

- Recommending (for executive officers) or establishing (for non-executive employees) compensation programs, compensation policies, compensation levels and incentive opportunities that are consistent with its business strategies;
- compiling, preparing and distributing materials for Compensation Committee review and consideration;
- recommending or establishing (as applicable) corporate performance goals on which performance-based compensation will be based; and
- assisting in the evaluation of, or evaluating, employee performance.

Exterran Holdings' Chief Executive Officer has annually reviewed the performance of each of the other executive officers and recommends salary adjustments, annual cash incentives and long-term incentive awards, which the Exterran Holdings Compensation Committee considers along with the other factors discussed above. Exterran Holdings' Chief Executive Officer also determines compensation for certain of its non-executive employees. We expect that following the spin-off, our Chief Executive Officer will annually review the performance of each of our other executive officers and key employees.

Base Salary

The Named Executive Officers received base salaries from Exterran Holdings in 2014 to compensate them for services rendered to Exterran Holdings. Exterran Holdings determined that, to attract external executive talent and support the development and retention of current executives, base pay should be competitive, as described above.

The 2014 base salaries for our Named Executive Officers were:

Executive Officer	Title	2014 Base Salary ($)
Jon C. Biro(1)	Senior Vice President and Chief Financial Officer	420,000
Daniel K. Schlanger(2)	Senior Vice President, Sales and Marketing	420,000
Steven W. Muck(3)	Senior Vice President, International Operations	350,000
Christopher T. Werner(4)	Senior Vice President, Fabrication Services	287,012

(1) Mr. Biro joined Exterran Holdings on September 22, 2014, and the chart above reflects his base salary upon hire.

(2) In February 2014, the Exterran Holdings Compensation Committee increased Mr. Schlanger's annual base salary from $365,000 to $420,000, effective as of March 2014. The chart above reflects Mr. Schlanger's base salary following such increase.

(3) In March 2014, Mr. Muck's annual base salary was increased from $302,444 to $310,000 as part of Exterran Holdings' annual merit review. In May 2014, Mr. Muck's annual base salary was further increased to $350,000 in connection with his promotion to Vice President, Sales, Eastern Hemisphere. The chart above reflects Mr. Muck's base salary following such increase.

(4) In March 2014, Mr. Werner's annual base salary was increased from $278,652 to $287,012 as part of Exterran Holdings' annual merit review. The chart above reflects Mr. Werner's base salary following such increase. In addition, Mr. Werner's annual base salary was further increased to $300,000 in connection with his promotion to Senior Vice President, Fabrication Services in February 2015.

In connection with Exterran Holdings' hiring of Mr. Way in June 2015, Exterran Holdings entered into an offer of employment with him which provides for an initial base salary equal to $750,000. Mr. Way's offer letter (the "CEO Offer Letter") is described in more detail below under "New Executive Employment Letters."

Following the completion of the spin-off, we currently expect that our Named Executive Officers will continue to receive the same annualized base salaries as they received prior to the spin-off.

Annual Performance-Based Incentive Compensation

In 2014, our Named Executive Officers participated in Exterran Holdings' 2014 short-term incentive program (the "Exterran Holdings 2014 Incentive Program"). Each Named Executive Officer's cash incentive target was a specified percentage of his individual base salary in 2014 (after taking into account the base salary adjustments discussed above under "Base Salary"). In determining the cash incentive opportunity for each Named Executive Officer, the Exterran Holdings Compensation Committee, or with respect to Messrs. Muck and Werner, Exterran Holdings' Chief Executive Officer, considered the factors discussed above under "How Exterran Holdings Determines Executive Compensation." Mr. Way was not employed by us or Exterran Holdings during 2014 and, accordingly, did not participate in the Exterran Holdings 2014 Incentive Program.

Under the Exterran Holdings 2014 Incentive Program, each Named Executive Officer's cash incentive target was:

Executive Officer	Title	2014 Cash Incentive Target (% of base salary)	2014 Cash Incentive Target ($)
Jon C. Biro	Senior Vice President and Chief Financial Officer	70	294,000(1)
Daniel K. Schlanger	Senior Vice President, Sales and Marketing	70	294,000
Steven W. Muck	Senior Vice President, International Operations	70	245,000(2)
Christopher T. Werner	Senior Vice President, Fabrication Services	40	114,805(3)

(1) Reflects Mr. Biro's annualized 2014 cash incentive target.

(2) In May 2014, in connection with his promotion to Vice President, Sales, Eastern Hemisphere, Mr. Muck's cash incentive target was increased from 40% of base salary to 70% of base salary. The chart above reflects Mr. Muck's cash incentive target following such increase.

(3) Reflects Mr. Werner's incentive target for 2014. Following his promotion in February 2015, Mr. Werner's incentive target was increased to 60% of base salary.

Each Named Executive Officer's potential cash payout under the Exterran Holdings 2014 Incentive Program ranged from 0% to 200% of his incentive target; however, Exterran Holdings had discretion to increase each Named Executive Officer's actual cash payout above 200% of his incentive target for extraordinary Exterran Holdings and individual performance during 2014.

Under the Exterran Holdings 2014 Incentive Program, the Exterran Holdings Compensation Committee or, with respect to Messrs. Muck and Werner, Exterran Holdings' Chief Executive Officer, could determine actual payouts to the Named Executive Officers by considering (i) for all Named Executive Officers, Exterran Holdings' performance, including an assessment of EBITDA, as adjusted, achieved by Exterran Holdings for 2014, (ii) for Messrs. Schlanger and Werner, results achieved by the Operations Services Group, and for Mr. Muck, results achieved by the Eastern Hemisphere unit, (iii) each officer's individual contribution toward Exterran Holdings' and/or operating unit performance, including his demonstrated leadership and implementation of Exterran Holdings' business strategy, (iv) the recommendations of Exterran Holdings' Chief Executive Officer, and (v) any other factors or criteria that the Exterran Holdings Compensation Committee or Exterran Holdings' Chief Executive Officer, as applicable, chose to consider, in its or his discretion. No specific weight was given to any of these factors.

To assess Exterran Holdings' 2014 performance, the Exterran Holdings Compensation Committee considered where EBITDA, as adjusted, for purposes of the Exterran Holdings 2014 Incentive Program, achieved for 2014 fell within the following target range:

	Below Threshold	Threshold	Target	Maximum	2014 Actual
EBITDA, as adjusted (in millions)(1)	<$ 548	$ 548	$ 685	$ 822	$ 671
Company performance percentage	0	50%	100%	150%	95%

(1) EBITDA, as adjusted, is calculated as net income (loss) excluding income (loss) from discontinued operations (net of tax), cumulative effect of accounting changes (net of tax), income taxes, interest expense (including debt extinguishment costs and gain or loss on termination of interest rate swaps), depreciation and amortization expense, impairment charges, restructuring charges, non-cash gains or losses from foreign currency exchange rate changes recorded on intercompany obligations, expensed acquisition costs and other charges. EBITDA, as adjusted for purposes of the Exterran Holdings 2014 Incentive Program, makes further adjustments, in the Exterran Holdings Compensation Committee's discretion, relating to certain items that are generally unusual or non-recurring in nature. EBITDA, as adjusted for purposes of the Exterran Holdings 2014 Incentive Program, also reflects the Exterran Holdings Compensation Committee's revised target and range, and Exterran Holdings' results, relating to the acquisitions of assets from MidCon Compression, L.L.C. in April and August 2014.

To assess 2014 operating unit performance, the Exterran Holdings Compensation Committee (or, for Messrs. Muck and Werner, Exterran Holdings' Chief Executive Officer) considered the performance indicators shown below. For each of the Latin America, North America and Eastern Hemisphere operating units, the specified financial performance indicators were collectively weighted at 60% to 70%, and the specified customer service, people and safety performance indicators were collectively weighted at 30% to 40%. For each of the Operations Services and the Corporate Services operating units, the specified financial performance indicators were collectively weighted at 80%, and the specified people and safety performance indicators were collectively weighted at 20%. Based on this

assessment, achievement percentages for Exterran Holdings' operating units were determined to range from 103% to 118%.

Performance Indicator(1)	Operating Unit: Latin America	North America	Eastern Hemisphere	Operations Services	Corporate Services
Financial	Operating cash flow Contract operations and fabrication bookings	Operating cash flow Fabrication bookings Field optimization savings Net change in horsepower utilization	Operating cash flow Fabrication bookings Net change in horsepower utilization	EBITDA Fabrication bookings gross margin Working capital	Blended financial performance of Latin America, North America, Eastern Hemisphere and Operations Services operating units
Customer Service	Service availability percentage	Service availability percentage	Service reliability percentage	Not applicable	Not applicable
People	Supervisor effectiveness	Supervisor effectiveness	Supervisor effectiveness	Supervisor effectiveness	Supervisor effectiveness
Safety	Preventable vehicle incident rate Total recordable incident rate	Preventable vehicle incident rate Total recordable incident rate	Total recordable incident rate	Total recordable incident rate	Total recordable incident rate

(1) Exterran Holdings has not disclosed Exterran Holdings' target levels with respect to the achievement of these operating unit performance indicators because they are derived from internal analyses reflecting its business strategy and will not otherwise be publicly disclosed. Exterran Holdings believes its disclosure would provide Exterran Holdings' competitors, customers and other third parties with significant insights regarding Exterran Holdings' confidential business strategies that could cause substantial competitive harm.

Finally, the Exterran Holdings Compensation Committee or, with respect to Messrs. Muck and Werner, Exterran Holdings' Chief Executive Officer, considered each Named Executive Officer's individual contribution toward Exterran Holdings and/or operating unit performance including, as individually applicable, implementation of operational improvements, contribution toward Exterran Holdings' performance goals and initiatives and demonstrated leadership ability. During its assessment of 2014 performance for each Named Executive Officer other than Mr. Werner, who was not a direct report of Exterran Holdings' Chief Executive Officer during 2014 and, consequently, not a member of

the senior management team of Exterran Holdings during 2014, the Exterran Holdings Compensation Committee also considered Exterran Holdings' extraordinary performance during 2014, including, among other significant accomplishments:

- organic growth of 261,000 operating compression horsepower in North America;
- the completion and successful integration of two major asset acquisitions that increased operating compression horsepower by an additional 554,000 horsepower in North America;
- execution of several major long-term contracts for the provision of contract operations services in Latin America;
- initiation of a dividend program and payment of four quarterly dividends of $0.15 per share during the year;
- the successful launch of Exterran Holdings' C-Series line of configurable compressor packages;
- the implementation of significant organizational design changes to simplify Exterran Holdings' operating structure;
- the achievement of the lowest injury rates and best overall safety record in Exterran Holdings' history, and
- the announcement of the spin-off.

Following its assessment of Exterran Holdings' performance, operating unit performance, individual performance and the additional factors discussed above, the Exterran Holdings Compensation Committee approved the following cash payments under the Exterran Holdings 2014 Incentive Program to our Named Executive Officers. These amounts were paid in March 2015.

Executive Officer	Title	2014 Incentive Program Payout ($)
Jon C. Biro	Senior Vice President and Chief Financial Officer	100,000(1)
Daniel K. Schlanger	Senior Vice President, Sales and Marketing	600,000
Steven W. Muck	Senior Vice President, International Operations	425,000
Christopher T. Werner	Senior Vice President, Fabrication Services	133,258

(1) Mr. Biro's cash payment under the Exterran Holdings 2014 Incentive Program reflects the period of time he was employed by Exterran Holdings during 2014.

With respect to the calendar year in which the spin-off is completed, we expect to adopt a cash incentive program for the benefit of our executives, including our Chief Executive Officer and Named Executive Officers, covering the portion of such year following the completion of the spin-off. Our executives will remain eligible to receive cash incentive compensation under Exterran Holdings' cash incentive program for the portion of such year prior to the completion of the spin-off. In subsequent years, we expect that our Named Executive Officers will be eligible to earn annual cash incentive awards based on the attainment of specified company and/or individual performance objectives established by our compensation committee. The applicable terms and conditions of the cash incentive awards will be determined by our compensation committee.

Following the completion of the spin-off, pursuant to the CEO Offer Letter, Mr. Way will be eligible for an annual bonus targeted at 100% of base salary. We currently expect that, following the completion of the spin-off, our Named Executive Officers will continue to be eligible for the same target annual bonuses as prior to the completion of the spin-off.

Long-Term Incentive Compensation

The Exterran Holdings Compensation Committee believes that awarding a meaningful portion of our Named Executive Officers' total compensation in the form of long-term incentive compensation aligns executives' interests with our stockholders' interests, emphasizes long-term financial and operational performance and helps to retain key executives. Specifically, grants of:

- *Exterran Holdings Stock Options* incentivize key employees to work toward long-term performance objectives and the goal to achieve future stockholder appreciation, because options have value only when the value of common stock increases;

- *Exterran Holdings Restricted Stock and Restricted Stock Units* incentivize key employees to work toward long-term performance goals by aligning their interests with stockholders' interests;

- *Exterran Holdings Performance Awards* encourage long-range planning through performance factors designed to focus key employees on year-over-year performance improvements and initiatives and reward sustained stockholder value creation; and

- *Exterran Partners Phantom Units* with distribution equivalent rights ("DERs") emphasize Exterran Holdings' growth objectives with respect to Exterran Partners. Exterran Partners is a master limited partnership that provides natural gas contract operations services to customers throughout the U.S. which Exterran Holdings controls and in which Exterran Holdings has an equity interest. DERs are the right to receive cash distributions on the units.

Grants of stock options, restricted stock, restricted stock units and performance awards during calendar year 2014 were made under the Exterran Holdings, Inc. 2013 Stock Incentive Plan (the "Exterran Holdings 2013 Plan"), which is administered by the Exterran Holdings Compensation Committee. Awards of Exterran Partners phantom units are made from the Exterran Partners, L.P. Long-Term Incentive Plan (the "Partnership Plan"), which is administered by the compensation committee of Exterran GP LLC, Exterran Partners' managing general partner.

Equity-based long-term incentive awards ("LTI Awards") are granted and valued based on the market closing price of Exterran Holdings' common stock or Exterran Partners' common units on the date of approval by the applicable compensation committee. LTI Awards to officers and employees generally vest one-third per year over a three-year period, subject to continued service through each vesting date. In addition, LTI Awards may be subject to accelerated vesting as described below under "*Information Regarding Executive Compensation—Potential Payments upon Termination or Change of Control*."

Performance awards are payable based on achievement of certain specified performance indicators. Payout amounts under the performance awards are determined following the conclusion of the performance period, which is generally one year, and may be settled in shares of Exterran Holdings' common stock or in cash, as determined by the Exterran Holdings Compensation Committee.

The Exterran Holdings Compensation Committee typically establishes its schedule for making annual LTI Awards several months in advance, and does not make such awards based on knowledge of material nonpublic information or in response to Exterran Holdings' stock price. This practice results in awards being granted on a regular, predictable cycle, after earnings information has been disseminated to the marketplace. Equity-based awards are occasionally granted at other times during the year, such as upon the hiring of a new employee or following the promotion of an employee. In some instances, the Exterran Holdings Compensation Committee may be aware, at the time grants are made, of matters or potential developments that are not ripe for public disclosure at that time but that may result in public announcement of material information at a later date.

Exterran Holdings 2014 LTI Awards. In determining the Exterran Holdings 2014 LTI Awards for each Named Executive Officer, the Exterran Holdings Compensation Committee considered the factors

discussed above under "How Exterran Holdings Determines Executive Compensation," and also reviewed share utilization with respect to the Exterran Holdings 2013 Plan, potential overhang and burn rate under various award scenarios. As shown in the Grants of Plan-Based Awards Table for 2014 below, Mr. Schlanger received a mix of stock options, restricted stock, performance units and Exterran Partners phantom units (awarded by Exterran Partners' compensation committee) and Messrs. Muck and Werner received restricted stock and performance units. The Exterran Holdings 2014 LTI Award for Mr. Biro consisted of a new hire grant comprised entirely of restricted stock. Mr. Way was not employed by us or Exterran Holdings during 2014 and, accordingly, did not receive any LTI Awards during 2014.

Exterran Holdings 2014 Performance Units. The performance units awarded to the Named Executive Officers (other than Mr. Biro) in 2014 (the "Exterran Holdings 2014 Performance Units") were payable based on Exterran Holdings' EBITDA, as adjusted, achieved during the performance period from January 1, 2014 through December 31, 2014. The potential number of 2014 Performance Units that could be earned ranged from 0% to 150% of the target grant value. The Exterran Holdings 2014 Performance Unit target range for EBITDA, as adjusted, and the results achieved by Exterran Holdings for 2014 as approved by the Exterran Holdings Compensation Committee, were as follows:

	Below Threshold	Threshold	Target	Maximum	Company Performance/ Payout Percentage Achieved
EBITDA, as adjusted (in millions)(1)	<$548	$ 548	$ 685	$ 822	$ 671
Payout as a percentage of target value	0%	50%	100%	150%	95%

(1) EBITDA, as adjusted, is calculated as net income (loss) excluding income (loss) from discontinued operations (net of tax), cumulative effect of accounting changes (net of tax), income taxes, interest expense (including debt extinguishment costs and gain or loss on termination of interest rate swaps), depreciation and amortization expense, impairment charges, restructuring charges, non-cash gains or losses from foreign currency exchange rate changes recorded on intercompany obligations, expensed acquisition costs and other charges. EBITDA, as adjusted for purposes of the Exterran Holdings 2014 Performance Units, makes further adjustments, in the Exterran Holdings Compensation Committee's discretion, relating to certain items that are generally unusual or non-recurring in nature. EBITDA, as adjusted for purposes of the Exterran Holdings 2014 Performance Units, also reflects the Exterran Holdings Compensation Committee's revised target and range, and Exterran Holdings' results, relating to the acquisitions of assets from MidCon Compression, L.L.C in April and August 2014.

The earned Exterran Holdings 2014 Performance Units vest one-third per year over a three-year period, subject to continued service through each vesting date, and are payable in cash based on the market closing price of Exterran Holdings' common stock on the applicable vesting date. The Exterran Holdings 2014 Performance Units are subject to accelerated vesting as described under "Severance Benefit Agreements and Change of Control Arrangements" below. See the Grants of Plan-Based Awards Table for 2014 below for more information about the Exterran Holdings 2014 Performance Units awarded to our Named Executive Officers.

In connection with the spin-off, we intend to adopt a 2015 Stock Incentive Plan (the "2015 Plan") in order to facilitate the grant of long-term incentives to employees (including our Named Executive Officers and our Chief Executive Officer) and consultants of our company and its affiliates and to our directors and to obtain and retain the services of these individuals, which is essential to our long-term success. We expect that the 2015 Plan will become effective on the date on which it is adopted by our board of directors. For additional information about the 2015 Plan, please see "2015 Stock Incentive Plan" below.

In addition, following the completion of the spin-off, pursuant to the CEO Offer Letter, we expect to grant to Mr. Way, under the 2015 Plan, a restricted stock award valued, in the aggregate, at $4,000,000. We anticipate that Mr. Way's restricted stock award will vest ratably over a three-year period, subject to continued service through each vesting date. We do not expect to grant any other equity awards to Mr. Way during calendar year 2015.

The Exterran Holdings equity awards held by our Named Executive Officers that are outstanding immediately prior to the spin-off will be subject to certain adjustments in connection with the spin-off, as described under the section above entitled "The Spin-Off—Treatment of Stock-Based Awards."

Retirement Savings, Health and Welfare Benefits

In 2014, our Named Executive Officers participated in benefit programs sponsored by Exterran Holdings and its affiliates on generally the same basis as other salaried employees of Exterran Holdings in the country in which they are based. These benefits are designed to provide retirement income and protection against the financial hardship that can result from illness, disability or death. We anticipate that, following the spin-off, our Chief Executive Officer and Named Executive Officers and employees will be eligible to participate in a similar complement of retirement, health and welfare benefit plans and programs.

Retirement Savings Plan. The Exterran Holdings 401(k) Plan allows certain employees who are U.S. citizens, including our Named Executive Officers in 2014, to defer a portion of their eligible salary, up to the Internal Revenue Code (the "Code") maximum deferral amount, on a pre-tax basis. Participants make contributions to an account maintained by an independent trustee and direct how those contributions are invested. Exterran Holdings matches 100% of a participant's contribution to a maximum of 1% of his or her annual eligible compensation, plus 50% of the participant's contribution from 2% to a maximum of 6% of his or her annual eligible compensation, for a total company match of up to 3.5% of annual eligible compensation. Participants vest in the matching contributions after two years of employment. Exterran Holdings also maintains an International Savings Plan designed to provide comparable benefits to certain employees who are not U.S. citizens.

Deferred Compensation Plan. The Exterran Holdings Deferred Compensation Plan allows certain key employees who are U.S. citizens, including our Named Executive Officers in 2014, to defer receipt of their compensation, including up to 100% of their salaries and bonuses, and be credited with company contributions designed to serve as a make-up for the portion of the employer-matching contribution that cannot be made under the Exterran Holdings 401(k) Plan due to Code limits. Participants generally must make elections relating to compensation deferrals and plan distributions in the year preceding that in which the compensation is earned. Contributions to the Exterran Holdings Deferred Compensation Plan are self-directed investments in the various funds available under the plan. There are thus no interest calculations or earnings measures other than the performance of the investment funds selected by the participant. Participants direct how their contributions are invested and may change these elections at any time, provided that such changes in elections comply with Section 409A of the Code. We anticipate establishing a deferred compensation plan prior to the completion of the spin-off for the benefit of our employees, as described in greater detail below.

Health and Welfare Benefit Plans. Exterran Holdings maintains a standard complement of health and welfare benefit plans for its employees, including our Named Executive Officers in 2014, which provide medical, dental and vision benefits, flexible spending accounts, short-term and long-term disability insurance, accidental death and dismemberment insurance and life insurance coverage. These benefits were provided to our Named Executive Officers in 2014 on the same terms and conditions as they are provided to other employees of Exterran Holdings.

Perquisites. As in prior years, Exterran Holdings provided limited perquisites during 2014. Certain of our Named Executive Officers were entitled to a taxable benefit of tax preparation and planning services. Certain employees who are asked to relocate receive an expatriate compensation package, which generally includes assistance with housing and education expenses and, where applicable, a hardship premium. Exterran Holdings' policies prohibit tax gross-ups on perquisites, other than gross-ups provided pursuant to an expatriate tax equalization plan, policy or arrangement.

Severance Benefit Agreements and Change of Control Arrangements

Severance Benefit and Change of Control Agreements. As of December 31, 2014, Exterran Holdings was party to severance benefit agreements and change of control agreements with each of Messrs. Biro, Schlanger and Muck. Neither Mr. Way nor Mr. Werner was a party to a severance benefit agreement or change of control agreements with Exterran Holdings during 2014. However, Mr. Werner entered into severance benefit and change of control agreements with Exterran Holdings in February 2015, and Mr. Way entered into such agreements upon his commencement of employment with Exterran Holdings in July 2015.

The Exterran Holdings Compensation Committee believes these types of agreements are a customary part of executive compensation and, therefore, necessary to attract and retain executive talent. The change of control agreements are structured as "double trigger" agreements. In other words, the change of control alone does not trigger benefits; rather, benefits are paid only if the executive incurs a qualifying termination of employment within 18 months following a change of control.

We anticipate entering into new severance benefit agreements and change of control agreements with some or all of our Named Executive Officers effective as of the spin-off. Each severance benefit agreement and change of control agreement with our Named Executive Officers is expected to be substantially similar to the severance benefit agreements and change of control agreements between our Named Executive Officers and Exterran Holdings prior to the spin-off. Any Named Executive Officer who does not enter into a new severance benefit agreement and change of control agreement with us may retain the rights set forth in his existing severance benefit and change of control agreements.

See "*Information Regarding Executive Compensation—Potential Payments upon Termination or Change of Control*," below, for a description of the terms of the change of control agreements and the severance benefit agreements, as well as estimates of the potential payouts under those agreements.

Equity Plans. The Exterran Holdings, Inc. Amended and Restated 2007 Stock Incentive Plan (the "Exterran Holdings 2007 Plan"), the Exterran Holdings 2013 Plan and the Partnership Plan each permit, and we expect that the 2015 Plan will permit, the accelerated vesting of outstanding equity awards upon a change of control. The outstanding award agreements for awards granted to employees under the Exterran Holdings 2007 Plan provide that, only the portion of the award scheduled to vest within the 12 months following a change of control will vest upon the change of control, with the remainder of the award continuing to vest as per the original vesting schedule, unless a change of control is followed by a qualifying termination of employment (in which case the award will vest in full upon such termination). The outstanding award agreements for awards granted to employees under the Partnership Plan prior to March 2014 provide for full accelerated vesting of the award upon a change of control. In March 2014, Exterran Holdings determined to eliminate any single-trigger accelerated vesting with respect to future equity awards in order to incentivize its employees to remain in employment following a change of control. The award agreements for all awards granted to employees under the Exterran Holdings 2013 Plan and the Partnership Plan during or after March 2014 do not provide for accelerated vesting upon a change of control unless the grantee incurs a qualifying termination of employment within eighteen months following the change of control (in which case the award will vest in full upon such termination). See "*Information Regarding Executive Compensation—*

Potential Payments upon Termination or Change of Control," below, for more information about equity vesting under various circumstances.

401(k) Plan. The Exterran Holdings 401(k) Plan provides for accelerated vesting of any unvested employer matching contributions following a change of control.

Other Policies and Considerations

Stock Ownership Requirements. The Exterran Holdings Compensation Committee believes that stock ownership requirements closely align its officers' interests with those of its stockholders by ensuring its officers have a meaningful ownership stake in Exterran Holdings. Certain of our Named Executive Officers were required to hold an amount of Exterran Holdings' common stock with a market value of at least three times their annual base salary. Executive officers generally have five years from their date of hire or promotion, respectively, to meet Exterran Holdings' stock ownership requirement. As of December 31, 2014, each Named Executive Officer who was subject to this policy was in compliance with it. We anticipate implementing a stock ownership policy applicable to our Named Executive Officers and Chief Executive Officer following the spin-off; however, the terms and conditions of any such stock ownership policy have not yet been determined.

Prohibition on Hedging. Exterran Holdings maintains a policy prohibiting all employees and directors from entering into any transaction designed to hedge or offset any decrease in the market value of Exterran Holdings' equity securities, including purchasing financial instruments (such as variable forward contracts, equity swaps, collars or exchange funds), or otherwise trading in market options (such as puts or calls), warrants, or other derivative instruments of Exterran Holdings' equity securities. We anticipate implementing a similar prohibition on hedging effective following the spin-off.

Tax and Accounting Considerations:

Section 162(m) of the Code. Section 162(m) of the Code generally disallows the deductibility of certain compensation expenses in excess of $1,000,000 to any one executive officer within a fiscal year. Compensation that is "performance-based" is excluded from this limitation. For compensation to be "performance-based," it must meet certain criteria, including performance goals approved by Exterran Holdings' stockholders and, in certain cases, objective targets based on performance goals approved by Exterran Holdings' stockholders. Exterran Holdings believes that maintaining the discretion to evaluate the performance of its executive officers through the use of performance-based compensation is an important part of Exterran Holdings' responsibilities and benefits Exterran Holdings' stockholders, even if it may be non-deductible under Section 162(m) of the Code. The Exterran Holdings Compensation Committee, in coordination with management, periodically assesses the potential application of Section 162(m) of the Code on incentive compensation awards and other compensation decisions. Following the spin-off, we expect that our compensation committee will periodically assess the potential application of Section 162(m) of the Code on incentive compensation awards and other compensation decisions with respect to our executive officers.

Section 280G of the Code. Section 280G of the Code disallows a tax deduction for excess parachute payments to certain executives of companies that undergo a change of control. In addition, Section 4999 of the Code imposes a 20% excise tax on the individual with respect to the excess parachute payment. Parachute payments are compensation linked to or triggered by a change of control and may include, but are not limited to, bonus payments, severance payments, certain fringe benefits, and payments and acceleration of vesting from long-term incentive plans including stock options and other equity-based compensation. Excess parachute payments are parachute payments that exceed a threshold determined under Section 280G of the Code based on the executive's prior compensation.

Section 409A of the Code. Section 409A of the Code requires that "nonqualified deferred compensation" be deferred and paid under plans or arrangements that satisfy the requirements of the statute with respect to the timing of deferral elections, timing of payments and certain other matters. Failure to satisfy these requirements can expose employees and other service providers to accelerated income tax liabilities, substantial additional taxes and interest on their vested compensation under such plans. Accordingly, as a general matter, it is Exterran Holdings' and our intention to design and administer our respective compensation and benefit plans and arrangements for all of our employees and other service providers, including our Named Executive Officers, so that they are either exempt from, or satisfy the requirements of, Section 409A of the Code.

New Executive Employment Letters

Exterran Holdings has entered into the CEO Offer Letter with Mr. Way which describes the terms and conditions of his employment with Exterran Holdings which commenced on July 1, 2015 and with us following the spin-off. We anticipate that we will assume Exterran Holdings' obligations under the CEO Offer Letter at the effective time of the spin-off. In addition, in connection with the spin-off, we anticipate entering into new employment letters with some or all of our Named Executive Officers (the "NEO Employment Letters") which will set forth the terms and conditions of their employment with us following the spin-off. These material terms of these employment letters are described in more detail below.

CEO Offer Letter

Pursuant to the CEO Offer Letter, Mr. Way commenced employment with Exterran Holdings on July 1, 2015, and he will serve as Executive Vice President of Exterran Holdings until the spin-off. Effective as of the completion of the spin-off, Mr. Way will serve as our President and Chief Executive Officer. The CEO Offer Letter provides that Mr. Way will be eligible to receive an initial annual base salary of $750,000 and an annual short term incentive targeted at 100% of base salary, and to participate in all employee benefit plans maintained by us for the benefit of our executive officers generally. Mr. Way also received a one-time cash signing bonus in the amount of $2,000,000 in connection with his commencement of employment with Exterran Holdings, which is intended, in part, to compensate Mr. Way for the value of the expatriate compensation package that he would have been entitled to receive from his prior employer during 2015 had his employment not terminated. Mr. Way must repay the signing bonus in full in the event that either: (i) he voluntarily terminates employment prior to July 1, 2016, and the spin-off has not been completed at the time of such termination or (ii) the spin-off occurs on or prior to July 1, 2016 and he voluntarily terminates employment prior to July 1, 2017.

Following the completion of the spin-off, the CEO Offer Letter provides that Mr. Way will be granted a restricted stock award pursuant to the 2015 Plan valued, in the aggregate, at $4,000,000. Mr. Way's restricted stock award will vest ratably over the three year period following the grant date, subject to continued service through each vesting date. As noted above, we do not expect to grant any other equity awards to Mr. Way during calendar year 2015. The CEO Offer Letter also indicates that, commencing with fiscal year 2016, we anticipate that Mr. Way may receive annual grants of equity awards valued, in the aggregate, at $3,300,000, subject to annual review in the discretion of our compensation committee.

Pursuant to the CEO Offer Letter, upon his commencement of employment with Exterran Holdings, Mr. Way entered into severance benefit and change of control agreements with Exterran Holdings. Upon the completion of the spin-off, these agreements will terminate and Mr. Way will enter into new severance benefit and change of control agreements with us. For additional detail regarding these severance benefit and change of control agreements, see "*Information Regarding Executive Compensation—Potential Payments upon Termination or Change of Control*" below.

NEO Employment Letters

We have not yet entered into new employment letters with our Named Executive Officers. However, as noted above, we expect that we will enter into NEO Employment Letters with some or all of our Named Executive Officers on or before the spin-off, which will become effective as of the completion of the spin-off.

We anticipate that each NEO Employment Letter will include the applicable Named Executive Officer's post-spin-off title and provide for standard compensation and benefits, including an annual base salary, a target annual short-term incentive, annual long-term equity incentives and participation in all employee benefit plans maintained by us for the benefit of our executive officers generally. Each NEO Employment Letter is also expected to provide for the payment of a retention incentive to the applicable Named Executive Officer, either in cash, shares of restricted stock, or a combination of both.

In addition, pursuant to the NEO Employment Letters, we expect that the Named Executive Officers will enter into new severance benefit and change of control agreements with us which will become effective upon the closing of the spin-off. Any Named Executive Officer who does not enter into an NEO Employment Letter, severance benefit agreement and change of control agreement may retain the rights set forth in his existing severance benefit and change of control agreements. For additional detail regarding these severance benefit and change of control agreements, see "*Information Regarding Executive Compensation—Potential Payments upon Termination or Change of Control*" below.

INFORMATION REGARDING EXECUTIVE COMPENSATION

The tables below set forth certain compensation information paid or awarded by Exterran Holdings during the year ended December 31, 2014. As noted above, because Mr. Way was not employed by us or Exterran Holdings in 2014, his 2014 compensation is not included in the tables below.

Summary Compensation Table for 2014

The following table shows the compensation paid during 2014 to our Named Executive Officers by Exterran Holdings. Positions reflect positions with us, and not positions with Exterran Holdings during 2014.

Name and Title	Year	Salary ($)	Stock Awards ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	All Other Compensation ($)(4)	Total ($)
Jon C. Biro, Senior Vice President and Chief Financial Officer	2014	113,077(5)	499,974	—	100,000	5,151	718,202
Daniel K. Schlanger, Senior Vice President, Sales and Marketing	2014	407,308	511,980	279,995	600,000	64,447	1,863,730
Steven W. Muck, Senior Vice President, International Operations	2014	334,718	632,646	—	425,000	35,155	1,427,519
Christopher T. Werner, Senior Vice President, Fabrication Services	2014	285,717	232,626	—	133,258	20,510	672,111

(1) The amounts in this column represent the grant date fair value of (a) restricted shares of Exterran Holdings' common stock, (b) Exterran Holdings 2014 Performance Units, as finally determined by the Exterran Holdings Compensation Committee following the conclusion of the applicable performance period, and (c) Exterran Partners phantom units, awarded and recognized by Exterran Partners. The grant date fair value of these awards was calculated in accordance with the Financial Accounting Standards Board Accounting Standards Codification 718, "Stock Compensation" ("ASC 718"). For a discussion of valuation assumptions, see Note 18 to the consolidated financial statements in Exterran Holdings' Annual Report on Form 10-K for the year ended December 31, 2014.

(2) The amounts in this column for 2014 represent the grant date fair value of options to purchase Exterran Holdings' common stock, calculated in accordance with ASC 718. For a discussion of valuation assumptions, see Note 18 to the consolidated financial statements in Exterran Holdings' Annual Report on Form 10-K for the year ended December 31, 2014.

(3) The amounts in this column for 2014 represent cash payments under the Exterran Holdings 2014 Incentive Program, which covered the compensation measurement and performance year ended December 31, 2014, and were paid during the first quarter of 2015.

(4) The amounts in this column for 2014 include the following:

Name	401(k) Plan Company Contribution ($)(a)	Deferred Compensation Plan Company Contribution ($)(b)	Tax Preparation and Planning Services ($)	DERs / Dividends ($)(c)	Other ($)	Total ($)
Jon C. Biro	3,452	—	—	1,699	—	5,151
Daniel K. Schlanger	9,100	4,931	5,000	45,416	—	64,447
Steven W. Muck	9,100	2,511	—	13,544	10,000(d)	35,155
Christopher T. Werner	9,100	2,111	—	9,299	—	20,510

(a) The amounts shown represent Exterran Holdings' matching contributions for 2014.

(b) Our Named Executive Officers could contribute up to 100% of their base pay and bonus to the Exterran Holdings Deferred Compensation Plan, which Exterran Holdings matched for 2014 up to a maximum of 3.5% of the executive's annual eligible compensation, less Exterran Holdings' matching contributions to the executive's 401(k) account.

(c) Represents cash payments pursuant to (i) dividends on unvested restricted shares of Exterran Holdings' common stock awarded under the Exterran Holdings 2007 Plan and Exterran Holdings 2013 Plan, (ii) dividend equivalents accrued in 2014 which were paid in March 2015 on unvested Exterran Holdings 2014 Performance Units awarded under the Exterran Holdings 2013 Plan as finally determined by the Exterran Holdings Compensation Committee following conclusion of the 2014 performance period, and (iii) DERs on unvested Exterran Partners phantom units awarded under the Partnership Plan.

(d) Represents a $10,000 housing allowance received by Mr. Muck while serving on assignment while based in Dubai, United Arab Emirates.

(5) Reflects the portion of Mr. Biro's base salary earned by him from September 22, 2014, the date on which his employment with us commenced, through December 31, 2014.

Grants of Plan-Based Awards for 2014

The following table shows the short- and long-term incentive plan awards granted to the Named Executive Officers by Exterran Holdings in 2014.

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Possible Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/SH)	Grant Date Fair Value of Stock and Option Awards ($) (3)
		Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)				
Jon C. Biro	9/22/2014	0	80,548	161,096				11,327(4)			499,974
Daniel K. Schlanger		0	294,000	588,000							
	3/04/2014				0	3,885	5,828				159,984
	3/04/2014							6,799(4)			279,983
	3/04/2014								19,350(5)	41.18	279,995
	3/04/2014							2,623(6)			80,002
Steven W. Muck	3/4/2014				0	1,141	1,712				46,986
	3/4/2014							4,565(4)			187,987
	4/29/2014							9,292(4)			400,021
Christopher T. Werner	3/4/2014				0	1,141	1,712				46,986
	3/4/2014							4,565(4)			187,987

(1) The amounts in these columns show the range of potential payouts under the Exterran Holdings 2014 Incentive Program. The actual payouts under the plan were determined in February 2015 and paid in March 2015, as shown in the Summary Compensation Table for 2014, above.

(2) The amounts in these columns show the range of potential payouts of Exterran Holdings 2014 Performance Units awarded as part of the 2014 LTI Award. "Target" is the number of Exterran Holdings 2014 Performance Units awarded. "Threshold" is the lowest possible payout (0% of the grant), and "Maximum" is the highest possible payout (150% of the grant). See "*Long-Term Incentive Compensation—Exterran Holdings 2014 Performance Units*" for a description of the Exterran Holdings 2014 Performance Units.

(3) The grant date fair value of performance units, restricted stock, stock option awards and Exterran Partners phantom units is calculated in accordance with ASC 718. Exterran Holdings 2014 performance units are shown at target value.

(4) Shares of restricted stock awarded under the Exterran Holdings 2013 Plan that vest one-third per year over a three-year period, subject to continued service through each vesting date.

(5) Stock options awarded under the Exterran Holdings 2013 Plan that vest one-third per year over a three-year period, subject to continued service through each vesting date.

(6) Exterran Partners phantom units awarded under the Partnership Plan that vest one-third per year over a three-year period, subject to continued service through each vesting date.

Outstanding Equity Awards at Fiscal Year-End for 2014

The following table shows our Named Executive Officers' equity awards and equity-based awards denominated in Exterran Holdings' common stock or Exterran Partners' common units outstanding at December 31, 2014.

	Option Awards				Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Yet Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Yet Vested ($)
Jon C. Biro					11,327(2)	369,034(3)		
Daniel K. Schlanger	21,690	—	67.30	03/04/2015				
	17,114	—	22.75	02/28/2017				
	7,247	—	75.27	06/12/2017				
	31,150	—	22.82	03/04/2018				
	29,045	16,275(10)	14.36	03/04/2019	20,752(2)	676,100(3)	5,422(4)	176,649(3)
	10,042	20,082(1)	25.04	03/04/2020	5,992(6)	129,547(7)	5,520(8)	179,842(3)
	—	19,350(5)	41.18	03/04/2021			3,691(9)	120,253(3)
Steven W. Muck	15,360		67.30	3/4/2015	22,854(2)	744,583(3)	1,457(4)	47,469(3)
	4,225		36.86	7/8/2015			1,622(8)	52,845(3)
							1,084(9)	35,317(3)
Christopher T. Werner	10,483		19.13	5/11/2016	13,562(2)	441,850(3)	1,457(4)	47,469(3)
	10,903		22.75	2/28/2017			1,622(8)	52,845(3)
							1,084(9)	35,317(3)

(1) Stock options awarded under the Exterran Holdings 2007 Plan that vest at the rate of one-third per year beginning on March 4, 2014, subject to continued service through each vesting date, with a term of seven years following the grant date.

(2) Shares of restricted stock awarded under the Exterran Holdings 2007 Plan or Exterran Holdings 2013 Plan that vest at the rate of one-third per year beginning on the initial vesting date shown below, subject to continued service through each vesting date.

Name	Unvested Shares	Initial Vesting Date
Jon C. Biro	11,327	9/22/2015
Daniel K. Schlanger	6,499	03/04/2013
	7,454	03/04/2014
	6,799	03/04/2015
Steven W. Muck	3,992	3/4/2013
	5,005	3/4/2014
	4,565	3/4/2015
	9,292	4/29/2015
Christopher T. Werner	3,992	3/4/2013
	5,005	3/4/2014
	4,565	3/4/2015

(3) Based on the market closing price of Exterran Holdings' common stock on December 31, 2014 ($32.58).

(4) Performance units awarded under the Exterran Holdings 2007 Plan that vest at the rate of one-third per year beginning on March 4, 2013, subject to continued service through each vesting date. Amounts shown are the actual number of units awarded, as finally determined by the Exterran Holdings Compensation Committee following the conclusion of the applicable performance period.

(5) Stock options awarded under the Exterran Holdings 2013 Plan that vest at the rate of one-third per year beginning on March 4, 2015, subject to continued service through each vesting date, with a term of seven years following the grant date.

(6) Phantom units awarded under the Partnership Plan that vest at the rate of one-third per year beginning on the initial vesting date shown below, subject to continued service through each vesting date.

Name	Unvested Units	Initial Vesting Date
Daniel K. Schlanger	1,125	03/04/2013
	2,244	03/04/2014
	2,623	03/04/2015

(7) Based on the market closing price of Exterran Partners' common units on December 31, 2014 ($21.62).

(8) Performance units awarded under the Exterran Holdings 2007 Plan that vest at the rate of one-third per year beginning on March 4, 2014, subject to continued service through each vesting date. Amounts shown are the actual number of units awarded, as finally determined by the Exterran Holdings Compensation Committee following the conclusion of the applicable performance period.

(9) Performance units awarded under the Exterran Holdings 2013 Plan that vest at the rate of one-third per year beginning on March 4, 2015, subject to continued service through each vesting date. Amounts shown are the actual number of units awarded, as finally determined by the Exterran Holdings Compensation Committee following the conclusion of the applicable performance period.

(10) Stock options awarded under the Exterran Holdings 2007 Plan that vest at the rate of one-third per year beginning on March 4, 2013, subject to continued service through each vesting date, with a term of seven years following the grant date.

Option Exercises and Stock Vested for 2014

The following table shows the value realized by the Named Executive Officers upon stock option exercises and stock award vesting of equity awards covering Exterran Holdings' common stock or the common units of Exterran Partners during 2014.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares and Units Acquired on Vesting (#)(1)	Value Realized on Vesting ($)(2)
Jon C. Biro	—	—	—	—
Daniel K. Schlanger	25,893	568,081	25,112	1,002,927
Steven W. Muck	10,042	174,805	14,072	586,528
Christopher T. Werner	—	—	13,647	554,936

(1) Includes Exterran Holdings' restricted stock and Exterran Partners phantom units that vested during 2014.

(2) The value realized for vested awards was determined by multiplying the fair market value of the restricted stock (market closing price of Exterran Holdings' common stock on the vesting date) or Exterran Partners phantom units (market closing price of Exterran Partners' common units on the vesting date) by the number of shares or units that vested. Shares and units vested on various dates throughout the year; therefore, the value listed represents the aggregate value of all shares and units that vested for each Named Executive Officer in 2014.

Nonqualified Deferred Compensation for 2014

The following table shows the Named Executive Officers' compensation under Exterran Holdings' nonqualified deferred compensation plan for 2014.

Name	Executive Contributions in Last Fiscal Year ($)	Company Contributions in Last Fiscal Year ($)(1)	Aggregate Earnings (Losses) in Last Fiscal Year ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last Fiscal Year End ($)
Jon C. Biro	5,815	565	118	—	5,933
Daniel K. Schlanger	—	4,931	5,185	—	90,713
Steven W. Muck	—	2,511	101	—	9,566
Christopher T. Werner	—	2,111	412	—	7,221

(1) The amounts in this column represent Exterran Holdings' contributions to each Named Executive Officer's Deferred Compensation Plan account earned in 2014 but paid in the first quarter of 2015. These amounts are included in "All Other Compensation" in the Summary Compensation Table for 2014, above, but are not included in "Aggregate Balance at Last Fiscal Year End."

We anticipate establishing a nonqualified deferred compensation plan (the "Deferred Compensation Plan") for the benefit of our employees which will be effective following the spin-off. We expect that the Deferred Compensation Plan will be substantially similar to the deferred compensation plan maintained by Exterran Holdings for the benefit of its employees prior to the completion of the spin-off. The material terms of the Deferred Compensation Plan, as currently contemplated, are set forth below.

Under the Deferred Compensation Plan, eligible employees will be permitted to defer receipt of up to 100% of their base salary, annual bonus and, if designated by the plan administrator, regular commissions. We will also make certain employer matching contributions designed to serve as a make-up for the portion of the employer matching contributions that cannot be made under our 401(k) plan due to Code limits. The amounts deferred under each participant's Deferred Compensation Plan account will be deemed to be invested in investment alternatives chosen by the participant from a range of choices established by the plan administrator. The balances of participant accounts will be adjusted to reflect the gains or losses that would have been obtained if the participant contributions had actually been invested in the applicable investment alternatives.

Participants may elect to defer the distribution of their account balances until the occurrence of a specified future date or event, including: (i) a future date while the participant is employed by us, as specified by the participant, (ii) the participant's separation from service (within the meaning of Section 409A of the Code), including due to death, or (iii) the participant's disability. Participants may also elect whether to receive distributions of their account balances in a single lump-sum amount or in annual installments to be paid over a period of two to ten years.

Payment of a participant's account will be made or commence, as applicable, as follows: (i) for lump sum payments, on the earlier of: (x) in the case of a specified in-service date, January 1 of such year and (y) in the case of a separation from service or disability, the date of the participant's separation of service or, if earlier, disability and (ii) for installment payments, the earlier of: (x) in the case of a specified in-service date, January 1 of such year and (y) in the case of a separation from service or disability, January 1 of the calendar year immediately following the date of the participant's separation of service or, if earlier, disability.

We expect that the Deferred Compensation Plan will be administered by our compensation committee. The Deferred Compensation Plan will be an unfunded plan for tax purposes and for

purposes of Title I of the Employee Retirement Income Security Act of 1974, as amended. We expect to establish a "rabbi trust" to satisfy our obligations under the Deferred Compensation Plan.

Potential Payments upon Termination or Change of Control

Exterran Holdings Severance Benefit Agreements. As of December 31, 2014, Exterran Holdings had entered into severance benefit agreements with each of Messrs. Biro, Schlanger and Muck. Neither Mr. Way nor Mr. Werner was a party to a severance benefit agreement or change of control agreements with Exterran Holdings during 2014. However, Mr. Werner entered into a severance benefit agreement with Exterran Holdings in February 2015, and Mr. Way entered into a severance benefit agreement with Exterran Holdings upon his commencement of employment in July 2015. The terms and conditions of these severance benefit agreements are substantially similar.

Each severance benefit agreement with Exterran Holdings provides that if the executive's employment is terminated by Exterran Holdings without cause or by the executive with good reason at any time through the term of the agreement (one year, to be automatically renewed for successive one-year periods until 365 days' prior notice is given by either party), he will receive a lump sum payment in cash on the 60th day (for Messrs. Biro, Werner and Way) or the 35th day (for Messrs. Schlanger and Muck) after the termination date equal to the sum of:

- his annual base salary then in effect;
- his target annual incentive bonus opportunity for the termination year;
- a pro-rated portion of his target annual incentive bonus opportunity for the termination year based on the length of time during which he was employed during such year (collectively, the "Non-CIC Cash Severance"); and
- for Mr. Way, any earned but unpaid annual incentive award for the fiscal year ending prior to the termination date.

In addition, the executive will be entitled to:

- the accelerated vesting as of the termination date of his outstanding unvested Exterran Holdings equity, equity-based or cash awards and Exterran Partners phantom units (subject to the consent of the compensation committee of Exterran Holdings GP LLC's board of directors) that were scheduled to vest within 12 months following the termination date (the "Non-CIC Accelerated Vesting"), and for Mr. Way, the accelerated vesting as of the termination date of his outstanding unvested equity, equity-based or cash awards denominated in shares of our common stock that were scheduled to vest within 12 months following the termination date; and
- continued coverage under Exterran Holdings' medical benefit plans for him and his eligible dependents for up to one year following the termination date.

Each executive's entitlement to the payments and benefits under his severance benefit agreement with Exterran Holdings is subject to his execution of a waiver and release for Exterran Holdings' benefit.

New Severance Benefit Agreements. We anticipate entering into new severance benefit agreements with some or all of our Named Executive Officers and our Chief Executive Officer effective as of the spin-off. Each severance benefit agreement with our Named Executive Officers and Chief Executive Officer is expected to be substantially similar to the severance benefit agreements between each of our Named Executive Officers and Chief Executive Officer and Exterran Holdings prior to the spin-off, as described above, except that with respect to our Named Executive Officers:

- the executive's Cash Severance will also include any earned but unpaid annual incentive award for the fiscal year ending prior to the termination date; and

- the executive will also be entitled to accelerated vesting as of the termination date of his outstanding unvested equity, equity-based or cash awards denominated in shares of our common stock that were scheduled to vest within 12 months following the termination date (in addition to the Non-CIC Accelerated Vesting described above).

Any Named Executive Officer who does not enter into a new severance benefit agreement with us may retain the rights set forth in his existing severance benefit agreement.

Change of Control Agreements. As of December 31, 2014, Exterran Holdings had entered into change of control agreements with each of Messrs. Biro, Schlanger and Muck. Neither Mr. Way nor Mr. Werner was a party to a change of control agreement with Exterran Holdings during 2014. However, Mr. Werner entered into a change of control agreement with Exterran Holdings in February 2015, and Mr. Way entered into a change of control agreement with Exterran Holdings upon his commencement of employment on or about July 1, 2015. The terms and conditions of these change of control agreements are substantially similar.

Each change of control agreement with Exterran Holdings provides that if the executive's employment is terminated by Exterran Holdings other than for cause, death or disability, or by the executive for good reason (in each case, a "Qualifying Termination"), within 18 months following a change of control of Exterran Holdings (as defined in the change of control agreements), he will receive a cash payment within 60 days after the termination date equal to:

- two times his current annual base salary plus two times his target annual incentive bonus opportunity for that year (the "CIC Cash Severance"); and

- two times the total of the company contributions that would have been credited to him under the Exterran Holdings 401(k) Plan and any other deferred compensation plan had he made the required amount of elective deferrals or contributions during the 12 months immediately preceding the termination month.

In addition, the executive will be entitled to:

- any amount previously deferred, or earned but not paid, by him under the incentive and nonqualified deferred compensation plans or programs as of the termination date;

- continued coverage under Exterran Holdings' medical benefit plans for him and his eligible dependents for up to two years following the termination date;

- the accelerated vesting of all his unvested Exterran Holdings stock options, restricted stock, restricted stock units or other stock-based awards, and all Exterran Partners common units, unit appreciation rights, unit awards or other unit-based awards and all cash-based incentive awards (collectively, the "CIC Accelerated Vesting") and for Mr. Way, accelerated vesting of his outstanding unvested equity, equity-based or cash awards denominated in shares of our common stock;

- for Mr. Schlanger (whose change of control agreement predates Exterran Holdings' 2009 policy to no longer include tax gross-ups in such agreements, as described below), an additional gross-up payment if a payment or distribution we make to him or for his benefit is subject to a federal excise tax; and

- for Mr. Way, a Section 280G "best pay" provision pursuant to which in the event any payments or benefits received by Mr. Way would be subject to an excise tax under Section 4999 of the Code, Mr. Way will receive either the full amount of his payments or a reduced amount such that no portion of the payments is subject to the excise tax (whichever results in the greater after-tax benefit to Mr. Way).

In exchange for any payment under his change of control agreement, each executive would agree not to, for two years following his termination, (1) disclose Exterran Holdings' confidential information, (2) employ or seek to employ any of Exterran Holdings' key employees or encourage any key employee to terminate employment with Exterran Holdings or (3) engage in a competitive business. Each executive's entitlement to the payments and benefits under his change of control agreement with Exterran Holdings was also subject to his execution of a waiver and release for Exterran Holdings' benefit.

In early 2009, the Exterran Holdings Compensation Committee established a policy prohibiting tax gross-ups on income attributable to future change of control agreements and other executive benefit agreements. Currently, Mr. Schlanger is our only Named Executive Officer with a change of control agreement that provides for a tax gross-up, because his change of control agreement predates this policy change and has not been materially amended since the policy was adopted.

New Change of Control Agreements. We anticipate entering into new change of control agreements with some or all of our Named Executive Officers and Chief Executive Officer effective as of the spin-off. Each change of control agreement is expected to be substantially similar to the change of control agreements between each of our Named Executive Officers and Chief Executive Officer and Exterran Holdings prior to the spin-off, as described above, except:

- Mr. Way's CIC Cash Severance will equal three times his current annual base salary plus three times his target annual incentive bonus opportunity for that year; and
- with respect to our Named Executive Officers:
  - the executive will also be entitled to accelerated vesting of his outstanding unvested equity, equity-based or cash awards denominated in shares of our common stock (in addition to the CIC Accelerated Vesting described above); and
  - the agreements include a Section 280G "best pay" provision pursuant to which in the event any payments or benefits received by the executive would be subject to an excise tax under Section 4999 of the Code, the executive will receive either the full amount of his payments or a reduced amount such that no portion of the payments is subject to the excise tax (whichever results in the greater after-tax benefit to the executive).

Any Named Executive Officer who does not enter into a new change of control agreement with us may retain the rights set forth in his existing change of control agreement.

Vesting of Equity-Based Incentives upon a Change of Control. The outstanding Exterran Holdings award agreements for all stock options, restricted stock, restricted stock units, and performance units granted to employees prior to March 2014 provide that, in the case of a change of control that is not followed by a Qualifying Termination, only the portion of the award scheduled to vest within the next 12 months will vest upon the change of control, with the remainder of the award vesting as per the original vesting schedule. The awards granted under the Partnership Plan prior to March 2014 provide that, upon a change of control (as defined in the Partnership Plan), all phantom units (including the related DERs) and unit options automatically vest and become payable or exercisable (as applicable). Vesting is automatic, regardless of whether employment is terminated.

As discussed above, in March 2014, Exterran Holdings eliminated any single-trigger change of control accelerated vesting with respect to future equity awards in order to incentivize Exterran Holdings' employees to remain in employment with Exterran Holdings following a change of control. The Exterran Holdings award agreements for all awards granted during or after March 2014 provide that no portion of the award shall be subject to accelerated vesting upon a change of control. Instead, awards will be subject to accelerated vesting only if a Qualifying Termination occurs within eighteen months following a change of control.

Potential Payments. The following tables show the potential payments to the Named Executive Officers upon a theoretical termination of employment or change of control occurring on December 31, 2014. The amounts shown assume a common stock value of $32.58 per share of Exterran Holdings common stock and an Exterran Partners common unit value of $21.62 per unit (the December 31, 2014 market closing prices of Exterran Holdings and Exterran Partners, respectively). The actual amount paid out to an executive upon an actual termination or change of control can only be determined at the time of such event. As noted above, Mr. Way was not employed by us or Exterran Holdings in 2014 and, accordingly, he is not included in the tables below.

Name	Termination Due to Death or Disability ($)(1)	Termination Without Cause or Resignation with Good Reason ($)(2)	Change of Control Without a Qualifying Termination ($)	Change of Control with a Qualifying Termination ($)
Jon C. Biro				
Cash Severance	—	1,008,000(3)	—	1,722,000(4)
Stock Options(5)	—	—	—	—
Restricted Stock(6)	369,034	123,022	—	369,034
Phantom Units(7)	—	—	—	—
Performance Awards(8)	—	—	—	—
Other Benefits(9)	—	14,956	—	55,015
Total Pre-Tax Benefit	369,034	1,145,978	—	2,146,049

Name	Termination Due to Death or Disability ($)(1)	Termination Without Cause or Resignation with Good Reason ($)(2)	Change of Control Without a Qualifying Termination ($)	Change of Control with a Qualifying Termination ($)
Daniel K. Schlanger				
Cash Severance	—	1,008,000(3)	—	1,722,000(4)
Stock Options(5)	447,949	372,240	372,240	447,949
Restricted Stock(6)	676,100	407,022	333,163	676,100
Phantom Units(7)	129,547	67,498	72,838	129,547
Performance Awards(8)	478,958	308,890	266,570	478,958
Other Benefits(9)	—	11,094	—	121,235
Tax Gross-ups	—	—	—	—
Total Pre-Tax Benefit	1,732,554	2,174,744	1,044,811	3,575,789

Name	Termination Due to Death or Disability ($)(1)	Termination Without Cause or Resignation with Good Reason ($)(2)	Change of Control Without a Qualifying Termination ($)	Change of Control with a Qualifying Termination ($)
Steven W. Muck				
Cash Severance	—	840,000(3)	—	1,435,000(4)
Stock Options(5)	—	—	—	—
Restricted Stock(6)	744,583	362,127	211,607	744,583
Phantom Units(7)	—	—	—	—
Performance Awards(8)	136,281	86,335	73,891	136,281
Other Benefits(9)	—	7,929	—	65,368
Total Pre-Tax Benefit	880,864	1,296,391	285,498	2,381,232

Name	Termination Due to Death or Disability ($)(1)	Termination Without Cause or Resignation with Good Reason ($)(2)	Change of Control Without a Qualifying Termination ($)	Change of Control with a Qualifying Termination ($)
Christopher T. Werner(10)				
Cash Severance	—	—	—	—
Stock Options(5)	—	—	—	—
Restricted Stock(6)	441,850	261,194	211,607	441,850
Phantom Units(7)	—	—	—	—
Performance Awards(8)	136,281	86,336	73,891	136,281
Other Benefits(9)	—	—	—	—
Total Pre-Tax Benefit	578,131	347,530	285,498	578,131

(1) "Disability" is defined in Exterran Partners' form of award agreement for phantom units and in the Exterran Holdings 2007 Plan and the Exterran Holdings 2013 Plan for all other equity awards.

(2) "Cause" and "Good Reason" are defined in the severance benefit and change of control agreements with Exterran Holdings.

(3) If the executive had been terminated without Cause or resigned with Good Reason on December 31, 2014, under his severance benefit agreement his cash severance would consist of (i) the sum of his base salary and his target annual incentive bonus (calculated as a percentage of his annual base salary for 2014), plus (ii) his target annual incentive bonus (calculated as a percentage of his annual base salary for 2014).

(4) If the executive had been subject to a Change of Control followed by a Qualifying Termination (as defined in the change of control agreements with Exterran Holdings) on December 31, 2014, under his change of control agreement his cash severance would consist of (i) two times the sum of his base salary and his target annual incentive bonus (calculated as a percentage of his annual base salary for 2014), plus (ii) his target annual incentive bonus (calculated as a percentage of his annual base salary for 2014).

(5) The amounts in this row represent the value of the accelerated vesting of the executive's unvested, in-the-money options to purchase Exterran Holdings' common stock, based on the December 31, 2014 market closing price of Exterran Holdings' common stock.

(6) The amounts in this row represent the value of the accelerated vesting of the executive's unvested restricted stock, based on the December 31, 2014 market closing price of Exterran Holdings' common stock.

(7) The amounts in this row represent the value of the accelerated vesting of the executive's unvested Exterran Partners phantom units, based on the December 31, 2014 market closing price of Exterran Partners' common units.

(8) The amounts in this row represent the value of the accelerated vesting of the executive's unvested performance awards, based on the December 31, 2014 market closing price of Exterran Holdings' common stock.

(9) The amounts in this row represent each Named Executive Officer's right to the payment, as applicable, of (i) medical benefit premiums for a one-year period in the event of a termination without Cause or voluntary resignation for Good Reason, or (ii) medical benefit premiums and Exterran Holdings contributions under the 401(k) Plan and deferred compensation plan for a two-year period in the event of a change of control followed by a Qualifying Termination. For Mr. Schlanger, this amount includes a gross-up with respect to Exterran Holdings contributions under the 401(k) Plan and deferred contribution plan to account for any federal or state taxes due on such amounts, as provided under his change of control agreement, which predates

implementation of Exterran Holdings' 2009 policy prohibiting tax gross-ups on income attributable to future change of control agreements and other executive benefit agreements. See the discussion under "*Change of Control Agreements*," above, for more information on this policy.

(10) Because Mr. Werner entered into a severance benefit agreement and change of control agreement with Exterran Holdings effective as of February 2, 2015, he would not have been entitled to receive any cash severance or continued benefits under such agreements had he been terminated on December 31, 2014.

2015 Stock Incentive Plan

In connection with the spin-off, we expect to adopt the Exterran Corporation 2015 Stock Incentive Plan, or the 2015 Plan, under which we may grant cash and equity incentive awards to eligible service providers in order to attract, motivate and retain the talent for which we compete. The 2015 Plan will also govern awards granted under the Exterran Holdings 2007 Plan and the Exterran Holdings 2013 Plan which are adjusted into awards denominated in our common stock in accordance with the terms of the Employee Matters Agreement and/or actions taken by our board of directors or the Exterran Holdings board of directors (each, an "Adjusted Award"), as described under the section above entitled "The Spin-Off—Treatment of Stock-Based Awards." The material terms of the 2015 Plan, as it is currently contemplated, are summarized below.

Effectiveness and Term

The 2015 Plan will become effective on the date on which it is approved by our shareholder. Awards may only be granted under the 2015 Plan for ten years from its effective date. The 2015 Plan will remain in effect until all awards granted thereunder have been vested or forfeited or exercised or expired.

Administration

The 2015 Plan will be administered by the compensation committee of our board of directors or such other committee designated by the board (such compensation committee or other committee, the "Committee"). All members of the Committee must satisfy the independence requirements of the stock exchange on which our common stock is listed. Awards may be granted to individuals subject to Section 16(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") only if the Committee is comprised solely of two or more "non-employee directors" within the meaning of Rule 16b-3 of the Exchange Act. Additionally, awards that are intended to constitute "performance-based compensation" within the meaning of Section 162(m) of the Code may only be granted if the Committee is comprised solely of two or more "outside directors" within the meaning of Section 162(m) of the Code.

The Committee may delegate to the board or to one or more committees of the board comprised of one or more independent directors its authority to grant awards to individuals who are not subject to Section 16(b) of the Exchange Act, subject to such limitations and restrictions as the Committee may determine. In addition, the Committee may delegate to the nominating and corporate governance committee of the board the authority to grant non-discretionary, routine awards to directors. However, the Committee may not delegate its authority to grant non-routine, discretionary awards to directors.

The Committee will have full authority, subject to the terms of the 2015 Plan, to make all determinations necessary or advisable for administering the 2015 Plan, including the authority to determine participants, the types and sizes of awards, the timing and price of awards, any vesting conditions applicable to awards, the acceleration or waiver of any vesting restrictions, the forms of award notices, and any rules and regulations necessary or appropriate to administer the 2015 Plan. In

addition, the Committee has the authority to interpret the terms of the 2015 Plan and each award notice thereunder.

With respect to any employee, director or consultant who is resident outside of the United States, the Committee may amend or vary the terms of the 2015 Plan to conform such terms to the requirements of applicable non-United States law and to meet the goals and objectives of the 2015 Plan. In addition, the Committee may establish administrative rules and procedures to facilitate the operation of the 2015 Plan in such non-United States jurisdictions. The Committee may establish one or more sub-plans for these purposes.

Eligibility

Employees and consultants of us and our affiliates, as well as members of our board who are not also employees, will be eligible to participate in the 2015 Plan. Holders of Adjusted Awards will also be eligible to participate in the 2015 Plan.

Number of Shares Subject to the 2015 Plan, Share Counting and Award Limits

The maximum number of shares of our common stock that will be available for issuance under the 2015 Plan is the sum of (i) the number of shares that may be issuable upon exercise or vesting of the Adjusted Awards, and (ii) 3,000,000 shares. Shares subject to awards that expire or are cancelled, forfeited, settled in cash or otherwise terminated will again become available for future awards under the 2015 Plan. Notwithstanding the foregoing, the following shares may not be added back to the shares available for issuance under the 2015 Plan: shares of common stock tendered or withheld to satisfy tax withholding obligations with respect to an award or to pay the exercise price of an option; shares of common stock subject to a stock appreciation right that are not issued in connection with the stock settlement thereof; or shares of common stock purchased on the open market with cash proceeds from the exercise of options. In addition, awards granted under the 2015 Plan in connection with a corporate transaction in assumption of or substitution for outstanding equity awards previously granted by another entity in the transaction will not reduce the shares of common stock authorized for issuance under the 2015 Plan.

The following limits have been established under the 2015 Plan:

- The maximum number of shares that may be issued as incentive stock options may not exceed 2,000,000 shares.
- The maximum number of shares of common stock that may be subject to awards granted to any one individual during any twelve-month period may not exceed 1,000,000 shares.
- The maximum amount of cash compensation that may be paid under awards intended to qualify as "performance-based compensation" under Section 162(m) of the Code granted to any one individual during any twelve-month period may not exceed $10,000,000.
- The maximum value, determined as of the date of grant under applicable accounting standards, of awards granted to any director for services as a director during any twelve-month period may not exceed $500,000.

Except with respect to the limit on shares issued as incentive stock options described above, Adjusted Awards will not count toward the foregoing limits.

Types of Awards

Awards under the 2015 Plan may consist of options, stock appreciation rights, restricted stock, restricted stock units, performance awards, other stock-based awards and dividend equivalents, each as described below.

Options

Stock options entitle the participant to purchase shares of our common stock at a specified price. Other than with respect to Adjusted Awards, options must have an exercise price that is at least the fair market value of our common stock on the date of grant (or 110% of the fair market value with respect to incentive stock options granted to participants who hold more than 10% of our stock). Options may be either incentive stock options that comply with the requirements of Section 422 of the Code or non-qualified stock options that do not comply with such requirements. Incentive stock options may only be granted to employees. An option's term may not be longer than ten years (or five years in the case of incentive stock options granted to participants who hold more than 10% of our stock). The aggregate fair market value of the shares of common stock with respect to which incentive stock options are exercisable for the first time by an individual in any one calendar year may not exceed $100,000.

The award notice will specify the acceptable method(s) for payment of the exercise price of an option, which may include (a) cash, (b) a check acceptable to us, (c) the delivery of shares (including shares otherwise issuable pursuant to the option or shares that have been held by the participant for such period of time as required by the Committee in its discretion) with a fair market value equal to such exercise price, (d) by a "cashless broker exercise" through procedures established or approved by the Committee, (e) by any other form of legal consideration acceptable to the Committee, or (f) by any combination of the foregoing. However, no participant will be permitted to pay the exercise price of an option, or continue any extension of payment with respect to the exercise price of an option, with a loan from us or with a loan arranged by us in violation of Section 13(k) of the Exchange Act.

Unless otherwise set forth in the applicable award notice or other written agreement between us or our affiliates and the participant, (i) vested options may be exercised for a period of three months following termination of employment or service (other than a termination for cause, in which case all vested options shall be automatically forfeited upon termination, and (ii) unvested options will automatically terminate upon termination, provided that if such termination is due to the participant's death, disability or retirement, all unvested options will vest in full upon such termination and will remain exercisable for a period of two years following termination.

Restricted Stock

A restricted stock award is a grant of shares of common stock at a per share purchase price determined by the Committee (which may equal zero) that is non-transferable and may be subject to a substantial risk of forfeiture until certain conditions determined by the Committee are met. The restrictions imposed on awards of restricted stock may relate to one or more of the following, as determined by the Committee: (a) the attainment of one or more performance targets based on one or more performance measures; (b) the participant's continued service as an employee, director or consultant for a specified period of time; (c) the occurrence of any event or the satisfaction of any other condition specified by the Committee in its sole discretion; or (d) any combination of any of the foregoing. Each grant of restricted stock may have different restrictions as established in the sole discretion of the Committee.

During the restricted period for any award of restricted stock, the participant will be entitled to voting, dividend and other ownership rights with respect to such shares of restricted stock (except as otherwise described below with respect to restricted stock subject to performance-based vesting conditions). However, unless and until the restrictions lapse or expire, we will retain custody of the restricted stock and the participant may be obligated to forfeit and surrender the shares to us under certain circumstances as determined by the Committee.

Unless otherwise set forth in the applicable award notice or other written agreement between us or our affiliates and the participant, unvested shares of restricted stock will automatically terminate upon

termination of employment or service, provided that if such termination is due to the participant's death or disability, all restrictions upon such shares will lapse upon termination (with any applicable performance measures deemed achieved at 100% of target).

Restricted Stock Units

Restricted stock units evidence the right to receive shares (or their equivalent value in cash) that is restricted or subject to forfeiture provisions. The restrictions imposed on restricted stock units may relate to one or more of the following, as determined by the Committee: (a) the attainment of one or more performance targets based on one or more performance measures; (b) the participant's continued service as an employee, director or consultant for a specified period of time; (c) the occurrence of any event or the satisfaction of any other condition specified by the Committee in its sole discretion; or (d) any combination of any of the foregoing. Each award of restricted stock units may have different restrictions as established in the sole discretion of the Committee.

Unless and until the restrictions have lapsed and the shares have been registered in the participant's name, the participant will not be entitled to vote the shares of common stock underlying the restricted stock units or enjoy any other stockholder rights, and may be required to forfeit the restricted stock units under certain circumstances as determined by the Committee. Upon the lapse of the applicable restrictions or at such times as determined by the Committee and set forth in the award notice (but no earlier than the date on which the restrictions lapse), the participant will receive the shares of stock or will receive a payment equal to the fair market value of the shares of common stock underlying the restricted stock units on the vesting date, less applicable withholding. Settlement of restricted stock units may be in the form of shares of common stock, cash, other equity compensation, or a combination thereof, as determined by the Committee.

Unless otherwise set forth in the applicable award notice or other written agreement between us or our affiliates and the participant, unvested restricted stock units will automatically terminate upon termination of employment or service, provided that if such termination is due to the participant's death or disability, all unvested restricted stock units will become vested upon termination (with any applicable performance measures deemed achieved at 100% of target).

Stock Appreciation Rights

A stock appreciation right is a right to receive a payment, in cash or shares, equal to the excess of the fair market value of the shares subject to such stock appreciation right over the exercise price thereof, less applicable withholding. Stock appreciation rights may be subject to restrictions, and participants may be required to forfeit the stock appreciation rights under certain circumstances, as determined by the Committee. The restrictions imposed on stock appreciation rights may relate to one or more of the following, as determined by the Committee: (a) the attainment of one or more performance targets based on one or more performance measures; (b) the participant's continued service as an employee, director or consultant for a specified period of time; (c) the occurrence of any event or the satisfaction of any other condition specified by the Committee in its sole discretion; or (d) any combination of any of the foregoing. Stock appreciation rights may have different restrictions as established in the sole discretion of the Committee. A stock appreciation right's term may not be longer than ten years.

The exercise price of the stock appreciation rights will be at least the fair market value of the shares of the common stock underlying the stock appreciation rights on the date of grant. Upon the lapse of any applicable restrictions and a participant's subsequent exercise of the stock appreciation rights, the participant will be entitled to receive payment in an amount equal to: (i) the difference between the fair market value of the underlying shares of common stock subject to the stock appreciation rights on the date of exercise and the per share exercise price; times (ii) the number of

shares of common stock underlying the stock appreciation rights; less (iii) any applicable withholding taxes. Settlement of stock appreciation rights may be in the form of shares of common stock or cash, or a combination thereof, as determined by the Committee.

Unless otherwise set forth in the applicable award notice or other written agreement between us or our affiliates and the participant, unvested stock appreciation rights will automatically terminate upon termination of employment or service, provided that if such termination is due to the participant's death, disability or retirement, all unvested stock appreciation rights will become vested upon termination (with any applicable performance measures deemed achieved at 100% of target).

Performance Awards

Performance awards entitle participants to receive a payment, in cash or shares, upon the attainment of specified performance measures. The Committee will establish, with respect to and at the time of each performance award, the maximum value or the maximum number of shares of common stock, as applicable, of the performance award and the performance period over which the performance will be measured. In addition, the Committee will determine whether performance awards are intended to constitute qualified performance-based compensation under Section 162(m) of the Code, in which case the award shall be subject to such limitations, terms and conditions necessary to comply with the requirements of Section 162(m) of the Code and qualify as performance-based compensation. Section 162(m) of the Code is discussed in more detail below.

A performance award will be contingent upon our future performance or the future performance of any of our affiliates, or a division or department of us or any of our affiliates during the performance period. With respect to any performance award intended to qualify as performance-based compensation under Section 162(m) of the Code, either (a) prior to the beginning of the performance period or (b) within 90 days after the beginning of the performance period if the outcome of the performance targets is substantially uncertain at the time such targets are established, but not later than the date that 25% of the performance period has elapsed, the Committee will, in writing, (i) select the performance measures applicable to the performance period, and (ii) establish the performance targets and amounts of performance awards, as applicable, which may be earned for the performance period.

The vesting of the performance award will be based upon one or more of the following, as determined by the Committee: (a) the attainment of one or more performance targets based on one or more performance measures; (b) the participant's continued service as an employee, director or consultant for a specified period of time; (c) the occurrence of any event or the satisfaction of any other condition specified by the Committee in its sole discretion; or (d) any combination of any of the foregoing. However, the vesting of any performance award that is intended to qualify as performance-based compensation under Section 162(m) of the Code will be based solely on (i) to the extent required by Section 162(m)(4) of the Code, the participant's continued service as an employee, director or consultant through the applicable performance period, and (ii) the attainment of one or more performance targets based on one or more performance measures.

In order to constitute qualified performance-based compensation under Section 162(m) of the Code, in addition to certain other requirements, the relevant amounts must be payable only upon the attainment of pre-established, objective performance targets based on one or more performance measures set by the Committee and linked to stockholder-approved performance criteria. The performance measures that may be used include the following: (a) the price of a share of common stock; (b) earnings per share; (c) market share; (d) sales; (e) net income (before or after taxes); (f) cash flow return on investment and/or cash value added; (g) earnings before or excluding interest, taxes, depreciation, amortization or any other items designated by the Committee; (h) earnings before or excluding interest, taxes or any other items designated by the Committee; (i) economic value added;

(j) return on stockholders' equity; (k) return on capital (including return on total capital or return on invested capital); (l) total stockholders' return; (m) working capital; (n) selling, general and administrative expense; (o) gross margin and/or gross margin percent; (p) operating margin and/or operating margin percent, (q) revenue; (r) revenue growth or product revenue growth; (s) pre-tax or after-tax income or loss (before or after allocation of corporate overhead and bonus); (t) net earnings or loss; (u) return on assets or net assets; (v) attainment of strategic and operational initiatives; (x) gross profits; (y) comparisons with various stock market indices; (z) reductions in cost; (aa) improvement in or attainment of expense levels or working capital levels; (bb) year-end cash; (cc) debt reduction; (dd) free cash flow, operating cash flow, and/or working cash flow; (ee) quality metrics; (ff) employee satisfaction; (gg) implementation or completion of projects and processes; (hh) customer satisfaction; (ii) budget management; (jj) debt covenant leverage ratios; and (kk) financing.

A performance target based on any one or more performance measures may be absolute or relative to (i) one or more other companies, (ii) one or more indexes or (iii) to one or more prior year's performance. Further, a performance target may be based on the performance of Exterran Corporation or any business unit of Exterran Corporation designated by the Committee. In addition, a performance target based on any one or more performance measures may be subject to objectively determinable adjustments, including one or more of the following items or events: (i) items related to changes in accounting standards (including changes required by the Financial Accounting Standards Board); (ii) items relating to financing activities; (iii) expenses for restructuring or productivity initiatives; (iv) other non-operating items; (v) items related to acquisitions; (vi) items attributable to the business operations of any entity acquired by us during the performance period; (vii) items related to the disposal of a business or segment of a business; (viii) items related to discontinued operations that do not qualify as a segment of a business under applicable accounting standards; (ix) items attributable to any stock dividend, stock split, combination or exchange of stock occurring during the performance period; (x) any other items of significant income or expense which are determined to be appropriate adjustments; (xi) items relating to unusual or extraordinary corporate transactions, events or developments, (xii) items related to amortization of acquired intangible assets; (xiii) items that are outside the scope of our core, on-going business activities; (xiv) items related to acquired in-process research and development; (xv) items relating to changes in tax laws; (xvi) items relating to major licensing or partnership arrangements; (xvii) items relating to asset impairment charges; (xviii) items relating to gains or losses for litigation, arbitration and contractual settlements; or (xix) items relating to any other unusual or nonrecurring events or changes in applicable law, accounting principles or business conditions.

Following the end of the applicable performance period, the participant will be entitled to receive payment with respect to the performance award (not exceeding the maximum value or maximum number of shares of common stock, as applicable, of the award) based on the achievement of the performance targets based on one or more performance measures for such period, as determined by the Committee. The Committee must certify in writing that the applicable performance targets based on one or more performance measures were satisfied prior to the payment of any qualified performance-based awards. Payment of a performance award may be made in cash, common stock, stock options, other equity compensation, or a combination thereof, as determined by the Committee. If a performance award covering shares of common stock is paid in cash, payment will be based on the fair market value of a share of common stock on the payment date.

Unless otherwise set forth in the applicable award notice or other written agreement between us or our affiliates and the participant, unvested performance awards will automatically terminate upon termination of employment or service, provided that if such termination is due to the participant's death or disability, all unvested performance awards will become vested upon termination (based on the level of performance determined by the Committee as of the date of termination or, if such performance level has not yet been determined, at 100% of target).

Other Stock Based Awards

Other stock-based awards are awards of shares of our common stock, which may be subject to the attainment of performance targets based on one or more performance measures, continued service requirements, or such other criteria as the Committee determines. The Committee will determine the number or the value of shares subject to such awards. Other stock-based awards may (but are not required to) be granted in lieu of base salary, bonuses, fees or other cash compensation otherwise payable to a participant.

Dividend Equivalents

Dividend equivalents entitle participants to receive the equivalent value (in cash or additional shares) of dividends in respect of other awards held by participants. Dividend equivalents with respect to an award that vests based on the attainment of performance-based objectives that are based on dividends paid prior to the vesting of such award will only be paid to a participant to the extent that the performance-based vesting conditions are subsequently satisfied and the award vests. Additionally, the 2015 Plan provides that dividend equivalents are not payable with respect to options or stock appreciation rights.

Acceleration of Vesting; Award Terms

Subject to certain limitations set forth in the 2015 Plan and to the limitations on the acceleration of awards intended to qualify as performance-based compensation under Section 162(m) of the Code, the Committee may, in its discretion, accelerate the vesting of all or any portion of an outstanding award under the 2015 Plan on such terms and conditions as it determines. The Committee will determine the term of each award; however, in no event may the term of any award exceed a period of ten years (or such shorter period as may be required for incentive stock options).

Transferability

Awards granted under the 2015 Plan generally will not be transferable except (i) by will or the laws of descent and distribution, (ii) pursuant to a qualified domestic relations order, or (iii) if vested, with the consent of the Committee, provided that any such transfer is permitted under the applicable securities laws.

Recapitalizations, Reorganizations and Corporate Changes

If there is any change in the common stock by reason of a stock split, consolidation, stock dividend, recapitalization, reorganization, merger, spin-off, exchange of shares or other similar event or any distribution to the holders of common stock that would dilute or enlarge the rights of participants (excluding any equity restructuring), the Committee has the discretion to equitably or proportionally adjust the number, kind and price of shares or other securities or property subject to outstanding awards, and may appropriately adjust the share reserve and the award limits under the 2015 Plan. Upon a subdivision, consolidation or payment of a dividend, excluding any equity restructuring, the number of shares subject to and per share purchase price of outstanding awards will be proportionately adjusted. In addition, upon certain non-reciprocal transaction known as "equity restructurings," the Committee will make equitable adjustments to the common stock that may be issued under the 2015 Plan and outstanding awards.

In the event of a corporate change, which includes but is not limited to a merger or the sale or other disposition of all or substantially all of our assets, the Committee has the discretion to take any one or more of the following actions without participant consent whenever it determines that such action is appropriate to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2015 Plan, with respect to awards under the 2015 Plan, or to facilitate

the corporate change: (i) provide that outstanding awards will become exercisable or payable or fully vested (with any awards subject to performance measures payable at such levels determined by the Committee), (ii) provide for the termination of outstanding awards in exchange for cash or the replacement of outstanding awards, in either case, with an aggregate value equal to the amount that would have been attained upon the exercise of such awards or the realization of the participant's rights, (iii) equitably or proportionally adjust the number and type of shares or other securities or property subject to, and/or the terms and conditions of, outstanding awards, or (iv) provide for the assumption or substitution of outstanding awards, with appropriate adjustments in the number and kind of shares and prices. Notwithstanding the foregoing, if an award notice provides for more favorable treatment in connection with a corporate change than the treatment that would otherwise apply to an award under the 2015 Plan, then the terms of the award notice (rather than the terms of the 2015 Plan) will govern the treatment of the award in connection with a corporate transaction.

Amendment and Termination

Our board of directors or the Committee may, in its discretion, terminate the 2015 Plan or alter, modify or amend the 2015 Plan or any part of the 2015 Plan at any time, provided that (i) the board of directors or Committee may not take any action that impairs the rights of any participant with respect to an outstanding award without the consent of the participant, and (ii) stockholder approval will be required for any amendment to the extent necessary to comply with applicable law or the requirements of any securities exchange on which the common stock is then-listed. In addition, stockholder approval will be required to (i) increase the maximum number of shares issuable pursuant to the 2015 Plan, (ii) reduce the exercise price of an outstanding stock appreciation right or option or cancel and replace any outstanding option with an option having a lower exercise price, or (iii) cancel any outstanding option or stock appreciation right in exchange for cash or another award when the per share price of the option or stock appreciation right exceeds the fair market value of the underlying shares of common stock.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Before the distribution, all of the outstanding shares of our common stock are and will be owned beneficially and of record by Exterran Holdings. The following table sets forth information with respect to the expected beneficial ownership of our common stock immediately following completion of the distribution by:

- each shareholder who is expected following the distribution to beneficially own more than 5% of our common stock;
- each executive officer named in the Summary Compensation Table;
- each person expected to serve on our board of directors as of the distribution date; and
- all of our executive officers and directors as a group.

We have based the percentage of class amounts set forth below on each indicated person's beneficial ownership of Exterran Holdings common stock as of June 30, 2015, unless we indicate some other basis for the share amounts, and based on the distribution of one share of our common stock for every two shares of Exterran Holdings common stock outstanding. To the extent our directors and executive officers own unrestricted shares of Exterran Holdings common stock at the time of the distribution, they will participate in the distribution of shares of common stock in the spin-off on the same terms as other holders of Exterran Holdings common stock. Following the spin-off, we will have an aggregate of approximately 34.7 million shares of common stock outstanding, based on the number of shares of Exterran Holdings common stock outstanding on June 30, 2015 and that we expect will remain outstanding on , 2015, the record date for the spin-off. The number of shares beneficially owned by each shareholder, director or officer is determined according to the rules of the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. The mailing address for each of the directors and executive officers is c/o Exterran Corporation, 4444 Brittmoore Road, Houston, Texas 77041.

	Shares of Common Stock to be Beneficially Owned Before the Spin-Off		Shares of Common Stock Beneficially Owned After the Spin-Off(6)	
Name of Beneficial Owner	Number	Percent	Number	Percent
Exterran Holdings, Inc.		100%	—	—
Magnetar Financial LLC(1)	—	—	2,990,002	8.7%
BlackRock, Inc.(2)	—	—	2,913,967	8.5%
Dimensional Fund Advisors(3)	—	—	2,855,867	8.3%
The Vanguard Group, Inc.(4)	—	—	2,464,944	7.2%
T. Rowe Price Associates, Inc.(5)	—	—	2,459,061	7.1%
William M. Goodyear	—	—	5,418	*
John P. Ryan	—	—	7,141	*
Christopher T. Seaver	—	—	35,645	*
Mark R. Sotir	—	—	12,529	*
Richard R. Stewart	—	—	1,523	*
Ieda Gomes Yell	—	—	1,726	*
Andrew J. Way	—	—	—	*
Jon C. Biro	—	—	27,139	*
Steven W. Muck	—	—	34,089	*
Daniel K. Schlanger	—	—	117,689	*

Name of Beneficial Owner	Shares of Common Stock to be Beneficially Owned Before the Spin-Off		Shares of Common Stock Beneficially Owned After the Spin-Off(6)	
	Number	Percent	Number	Percent
Christopher T. Werner	—	—	31,697	*
All directors and executive officers as a group	—	—	274,599	*

* Less than 1%

(1) Based solely on a review of the Schedule 13G filed jointly by Magnetar Capital Partners LP, on behalf of itself and as sole member of Magnetar Financial LLC, Supernova Management LLC and Alec N. Litowitz on February 17, 2015. The address of Magnetar Capital Partners LP is 1603 Orrington Avenue, 13th Floor, Evanston, Illinois 60201.

(2) Based solely on a review of the Schedule 13G/A filed by BlackRock, Inc. on January 22, 2015. The address of BlackRock, Inc. is 55 East 52nd Street, New York, New York 10055.

(3) Based solely on a review of the Schedule 13G/A filed by Dimensional Fund Advisors LP ("Dimensional") on February 5, 2015. The address of Dimensional is Palisades West, Building One, 6300 Bee Cave Road, Austin, Texas 78746.

(4) Based solely on a review of the Schedule 13G filed by The Vanguard Group, Inc. ("Vanguard") on February 11, 2015. The address of Vanguard is 100 Vanguard Blvd., Malvem, Pennsylvania 19355.

(5) Based solely on a review of the Schedule 13G/A jointly filed by T. Rowe Price Associates, Inc. ("Price Associates") and T. Rowe Price Mid-Cap Value Fund, Inc. on February 13, 2015. The address of Price Associates is 100 E. Pratt Street, Baltimore, Maryland 21202.

(6) Includes shares that can be acquired immediately or within 60 days of June 30, 2015 through the exercise of stock options.

DESCRIPTION OF CAPITAL STOCK

Introduction

In the discussion that follows, we have summarized selected provisions of our amended and restated certificate of incorporation and amended and restated bylaws relating to our capital stock that we expect will be in effect at or prior to the completion of the spin-off. This summary is not complete. This discussion is subject to the relevant provisions of Delaware law and is qualified in its entirety by reference to our amended and restated certificate of incorporation and our amended and restated bylaws. You should read the provisions of our amended and restated certificate of incorporation and our amended and restated bylaws as currently in effect for more details regarding the provisions described below and for other provisions that may be important to you. We have filed copies of those documents with the SEC, and they are incorporated by reference as exhibits to the Registration Statement on Form 10 of which this information statement forms a part. Please read "Where You Can Find More Information."

Authorized Capital Stock

Our authorized capital stock consists of shares of common stock and shares of preferred stock, issuable in series.

Each authorized share of common stock has a par value of $0.01. The authorized shares of preferred stock have a par value of $0.01 per share. Immediately following the spin-off, we expect that approximately 34.7 million shares of our common stock will be outstanding, based on the number of shares of Exterran Holdings common stock outstanding as of June 30, 2015, and that we expect will remain outstanding on , 2015, the record date for the spin-off. The actual number of shares of our common stock to be distributed in the spin-off will be determined based on the actual number of shares of Exterran Holdings common stock outstanding as of the record date. Immediately following the spin-off, no shares of our preferred stock will be issued and outstanding.

Common Stock

Each share of our common stock entitles its holder to one vote in the election of each director and on all other matters voted on generally by our shareholders, other than any matter that (1) solely relates to the terms of any outstanding series of preferred stock or the number of shares of that series and (2) does not affect the number of authorized shares of preferred stock or the powers, privileges and rights pertaining to the common stock. No share of our common stock affords any cumulative voting rights. Our board of directors may grant holders of preferred stock, in the resolutions creating the series of preferred stock, the right to vote on the election of directors or any questions affecting our company.

Subject to prior rights and preferences that may be applicable to any outstanding shares of preferred stock, holders of our common stock will be entitled to dividends in such amounts and at such times as our board of directors in its discretion may declare out of funds legally available for the payment of dividends. Any future dividends will be paid at the discretion of our board of directors after taking into account various factors, including:

- general business conditions;
- industry practice;
- our financial condition and performance;
- our future prospects;
- our cash needs and capital investment plans;

- our obligations to holders of any preferred stock we may issue;
- income tax consequences; and
- the restrictions applicable laws and our credit arrangements then impose.

In addition, the terms of the loan agreements, indentures and other agreements we enter into from time to time may contain covenants or other provisions that could limit our ability to pay, or otherwise restrict the payment of, cash dividends. For example, our credit agreement includes restrictions on our ability to pay dividends.

If we liquidate or dissolve our business, the holders of our common stock will share ratably in all our assets that are available for distribution to our shareholders after our creditors are paid in full and the holders of all series of our outstanding preferred stock, if any, receive their liquidation preferences in full.

Our common stock has no preemptive rights and is not convertible or redeemable or entitled to the benefits of any sinking or repurchase fund. All shares of common stock to be distributed in connection with the spin-off will be fully paid and nonassessable.

Preferred Stock

At the direction of our board of directors, without any action by the holders of our common stock, we may issue one or more series of preferred stock from time to time covering up to an aggregate of 50 million shares of preferred stock. Our board of directors can determine the number of shares of each series of preferred stock, the designation, powers, preferences and relative participating, optional or other special rights, if any, and any qualifications, limitations or restrictions applicable to any of those rights, including dividend rights, voting rights, conversion or exchange rights, terms of redemption and liquidation preferences, of each series.

We believe that the ability of our board of directors to issue one or more series of our preferred stock will provide us with flexibility in structuring possible future financings and acquisitions, and in meeting other corporate needs that might arise. The authorized shares of our preferred stock, as well as shares of our common stock, will be available for issuance without further action by our shareholders, unless such action is required by applicable law or the rules of any stock exchange on which our securities may be listed or traded. If the approval of our shareholders is not required for the issuance of shares of our preferred stock or our common stock, our board of directors may determine not to seek shareholder approval.

Undesignated preferred stock may enable our board of directors to render more difficult or to discourage an attempt to obtain control of our company by means of a tender offer, proxy contest, merger or otherwise, and thereby to protect the continuity of our management. The issuance of shares of preferred stock may adversely affect the rights of our common shareholders. For example, any preferred stock issued may rank prior to the common stock as to dividend rights, liquidation preference or both, may have full or limited voting rights and may be convertible into shares of common stock. In addition, the provision in our amended and restated certificate of incorporation permitting such issuances cannot be amended without approval of holders of a majority of our shares of common stock outstanding. As a result, the issuance of shares of preferred stock, or the issuance of rights to purchase shares of preferred stock, may discourage an unsolicited acquisition proposal or bids for our common stock or may otherwise adversely affect the market price of our common stock or any existing preferred stock.

Limitation on Liability of Directors, Indemnification of Directors and Officers and Insurance

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their shareholders for monetary damages for breaches of directors' fiduciary duties as directors, and our amended and restated certificate of incorporation will include such an exculpation provision.

Our amended and restated certificate of incorporation will provide that no director will be liable to us or our shareholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation on liability is not permitted under the DGCL, as now in effect or as amended. Currently, Section 102(b)(7) of the DGCL requires that liability be imposed for the following:

- Any breach of the director's duty of loyalty to our Company or our shareholders.
- Any act or omission not in good faith or which involved intentional misconduct or a knowing violation of law.
- Unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL.
- Any transaction from which the director derived an improper personal benefit.

Additionally, Section 145 of the DGCL provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, in which such person is made a party by reason of the fact that the person is or was a director, officer, employee or agent of the corporation (other than an action by or in the right of the corporation—a "derivative action"), if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses (including attorneys' fees) incurred in connection with the defense or settlement of such action, and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's bylaws, disinterested director vote, shareholder vote, agreement or otherwise. Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, to the fullest extent authorized or permitted by the DGCL, as now in effect or as amended, we will indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that such person, or a person of whom he or she is the legal representative, is or was our director or officer, or by reason of the fact that our director or officer is or was serving, at our request, as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by us. We will indemnify such persons against expenses (including attorneys' fees), judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement reasonably incurred in connection with such action if such person acted in good faith and in a manner reasonably believed to be in or not opposed to our best interests and, with respect to any criminal proceeding, had no reason to believe their conduct was unlawful. A similar standard will be applicable in the case of derivative actions, except that indemnification will only extend to expenses (including attorneys' fees) incurred in connection with the defense or settlement of such actions, and court approval will be required before there can be any indemnification where the person seeking indemnification has been found liable to us. Any amendment of this provision will not reduce our indemnification obligations

relating to actions taken before an amendment. This right to indemnification includes the right to have us pay in advance the expenses incurred by an indemnified person in defending any such proceeding if the indemnified person provides an undertaking to repay all amounts advanced if it is ultimately determined that he or she is not entitled to indemnification.

We intend to enter into indemnification agreements with each of our current and future directors and officers. These agreements will require us to indemnify these individuals to the fullest extent permitted under Delaware law against liability that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. We believe that the limitation of liability provision in our amended and restated certificate of incorporation and the indemnification agreements will facilitate our ability to continue to attract and retain qualified individuals to serve as directors and officers.

We also intend to obtain insurance policies that insure our directors and officers and those of our subsidiaries against certain liabilities they may incur in their capacity as directors and officers. The insurance will provide coverage, subject to its terms and conditions, if the Company is unable to indemnify (*e.g.*, due to bankruptcy), or is legally prohibited from indemnifying, the directors and officers for a covered wrongful act.

Delaware Statutory Business Combination Statute

We will be subject to Section 203 of the DGCL, an anti-takeover statute. In general, Section 203 prevents an "interested shareholder," which is defined generally as a person owning 15 percent or more of a Delaware corporation's outstanding voting stock or any affiliate or associate of that person, from engaging in a broad range of "business combinations" with the corporation for three years following the date on which that person became an interested shareholder unless:

- Before that person became an interested shareholder, the board of directors of the corporation approved the transaction in which that person became an interested shareholder or approved the business combination;

- On completion of the transaction that resulted in that person's becoming an interested shareholder, that person owned at least 85 percent of the voting stock of the corporation outstanding at the time the transaction commenced, other than stock held by (1) directors who are also officers of the corporation or (2) any employee stock plan that does not provide employees with the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- Following the transaction in which that person became an interested shareholder, both the board of directors of the corporation and the holders of at least two-thirds of the outstanding voting stock of the corporation not owned by that person approve the business combination.

Under Section 203, the restrictions described above also do not apply to specific business combinations proposed by an interested shareholder following the announcement or notification of designated extraordinary transactions involving the corporation and a person who had not been an interested shareholder during the previous three years or who became an interested shareholder with the approval of a majority of the corporation's directors, if a majority of the directors who were directors prior to any person's becoming an interested shareholder during the previous three years, or were recommended for election or elected to succeed those directors by a majority of those directors, approve or do not oppose that extraordinary transaction.

Anti-Takeover Effects of Provisions of Our Organizational Documents

Some of the provisions of our amended and restated certificate of incorporation and amended and restated bylaws discussed below may have the effect, either alone or in combination with Section 203 of

the DGCL, of making more difficult or discouraging a tender offer, proxy contest, merger or other takeover attempt that our board of directors opposes but that a shareholder might consider to be in its best interest.

Our amended and restated certificate of incorporation provides that our shareholders may act only at an annual or special meeting of shareholders and may not act by written consent. Our amended and restated bylaws provide that a special meeting of our board of directors or our shareholders may only be called by the chairman of our board, any vice chairman or our president or a majority of the number of directors that we would have if there were no vacancies or unfulfilled newly created directorships. Our amended and restated certificate of incorporation also includes a forum selection clause designating the Court of Chancery of the State of Delaware, unless we consent in writing to the selection of an alternative forum, as the sole and exclusive forum for derivative actions, actions asserting a claim for breach of fiduciary duties and certain other matters.

Our amended and restated certificate of incorporation provides that the number of directors will be fixed exclusively by, and may be increased or decreased exclusively by, our board of directors from time to time. Our amended and restated certificate of incorporation and amended and restated bylaws provide that directors may be removed with or without cause by an affirmative vote of a majority of the voting power of our outstanding voting stock. A vacancy on our board of directors may be filled by a vote of a majority of the number of directors that we would have if there were no vacancies or unfulfilled newly created directorships, and a director appointed to fill a vacancy serves for the remainder of the term of the director in which the vacancy occurred. These provisions will prevent our shareholders from removing incumbent directors without cause and filling the resulting vacancies with their own nominees.

Our amended and restated bylaws contain advance notice and other procedural requirements that apply to shareholder nominations of persons for election to our board of directors at any annual or special meeting of shareholders and to shareholder proposals that shareholders take any other action at any annual meeting. In the case of any annual meeting, a shareholder proposing to nominate a person for election to our board of directors or proposing that any other action be taken must give our corporate secretary written notice of the proposal not less than 90 days and not more than 120 days before the anniversary of the date of the immediately preceding annual meeting of shareholders. These shareholder proposal deadlines are subject to exceptions if the pending annual meeting date is more than 30 days prior to or more than 30 days after the anniversary of the immediately preceding annual meeting. If the chairman of our board of directors or a majority of our board of directors calls a special meeting of shareholders for the election of directors, a shareholder proposing to nominate a person for that election must give our corporate secretary written notice of the proposal not earlier than 120 days prior to that special meeting and not later than the last to occur of (1) 90 days prior to that special meeting or (2) the 10th day following the day we publicly disclose the date of the special meeting. Our amended and restated bylaws prescribe specific information that any such shareholder notice must contain. These advance notice provisions may have the effect of precluding a contest for the election of our directors or the consideration of shareholder proposals if the proper procedures are not followed, and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors or to approve its own proposal, without regard to whether consideration of those nominees or proposals might be harmful or beneficial to us and our shareholders.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that our shareholders may adopt, amend and repeal our amended and restated bylaws at any regular or special meeting of shareholders by a vote of at least $66^{2}/_{3}\%$ of the voting power of our outstanding voting stock, provided the notice of intention to adopt, amend or repeal the amended and restated bylaws has been included in the notice of that meeting. Our amended and restated certificate of incorporation also confers on our board of directors the power to adopt, amend or repeal our amended

and restated bylaws with the affirmative vote of a majority of the directors present at a meeting at which a quorum is present.

As discussed above under "—Preferred Stock," our amended and restated certificate of incorporation authorizes our board of directors, without the approval of our shareholders, to provide for the issuance of all or any shares of our preferred stock in one or more series and to determine the designation, powers, preferences and relative participating, optional or other special rights, if any, and any qualifications, limitations or restrictions applicable to any of those rights, including dividend rights, voting rights, conversion or exchange rights, terms of redemption and liquidation preferences, of each series. The issuance of shares of our preferred stock or rights to purchase shares of our preferred stock could discourage an unsolicited acquisition proposal. In addition, under some circumstances, the issuance of preferred stock could adversely affect the voting power of our common shareholders.

In addition to the purposes described above, these provisions of our amended and restated certificate of incorporation and amended and restated bylaws are also intended to increase the bargaining leverage of our board of directors, on behalf of our shareholders, in any future negotiations concerning a potential change of control of our company. Our board of directors has observed that certain tactics that bidders employ in making unsolicited bids for control of a corporation, including hostile tender offers and proxy contests, have become relatively common in modern takeover practice. Our board of directors considers those tactics to be highly disruptive to a corporation and often contrary to the overall best interests of its shareholders. In particular, bidders may use these tactics in conjunction with an attempt to acquire a corporation at an unfairly low price. In some cases, a bidder will make an offer for less than all the outstanding capital stock of the target company, potentially leaving shareholders with the alternatives of partially liquidating their investment at a time that may be disadvantageous to them or retaining an investment in the target company under substantially different management with objectives that may not be the same as the new controlling shareholder. The concentration of control in our company that could result from such an offer could deprive our remaining shareholders of the benefits of listing on the NYSE and public reporting under the Exchange Act.

While our board of directors does not intend to foreclose or discourage reasonable merger or acquisition proposals, it believes that value for our shareholders can be enhanced by encouraging would-be acquirers to forego hostile or coercive tender offers and negotiate with the board of directors terms that are fair to all shareholders. Our board of directors believes that the provisions described above will (1) discourage disruptive tactics and takeover attempts at unfair prices or on terms that do not provide all shareholders with the opportunity to sell their stock at a fair price and (2) encourage third parties who may seek to acquire control of our company to initiate such an acquisition through negotiations directly with our board of directors. Our board of directors also believes these provisions will help give it the time necessary to evaluate unsolicited offers, as well as appropriate alternatives, in a manner that assures fair treatment of our shareholders. Our board of directors recognizes that a takeover might in some circumstances be beneficial to some or all of our shareholders, but, nevertheless, believes that the benefits of seeking to protect its ability to negotiate with the proponent of an unfriendly or unsolicited proposal to take over or restructure our company outweigh the disadvantages of discouraging those proposals.

Stock Exchange Listing

We expect to list our common stock on the NYSE under the symbol "EXTN."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Co., LLC. The transfer agent is not affiliated with us or Archrock.

DESCRIPTION OF MATERIAL INDEBTEDNESS

In connection with the spin-off, on July 10, 2015, we and EESLP entered into a $750.0 million credit agreement with Wells Fargo Bank, National Association, as administrative agent, and the lenders party thereto. On October 5, 2015, we and EESLP amended and restated the terms of the $750.0 million credit agreement to provide for a new $680.0 million revolving credit facility and a new $245.0 million term loan facility, which we refer to collectively as the new credit facility. Our ability to borrow under the new credit facility will be subject to the satisfaction of certain conditions, including the consummation of the spin-off on or prior to January 4, 2016 (the date on which those conditions are satisfied is referred to as the "Initial Availability Date") and the new credit facility will terminate in the event that the Initial Availability Date does not occur on or before January 4, 2016.

The revolving credit facility will mature on the date that is five years after the Initial Availability Date, and the term loan facility will mature on the date that is two years after the Initial Availability Date. We and all of our significant domestic subsidiaries (as defined in the credit agreement) will guarantee EESLP's obligations under the new credit facility. In addition, EESLP's obligations under the new credit facility will be secured by (1) substantially all of our assets and the assets of EESLP and our significant domestic subsidiaries located in the United States, including certain real property, and (2) all of the equity interests of our U.S. restricted subsidiaries (other than certain excluded subsidiaries) and 65% of the voting equity interests in certain of our direct foreign subsidiaries.

EESLP has the ability to borrow in U.S. dollars or Euros under the new revolving credit facility and to request the issuance of letters of credit in an aggregate amount of up to $500.0 million. Subject to certain conditions, at our request and with the consent of the participating lenders, the total revolving commitments under the new credit facility may be increased from time to time after the Initial Availability Date by an aggregate amount of up to $220.0 million. The term loan facility will be funded in a single borrowing in U.S. dollars on the Initial Availability Date and will be subject to certain customary prepayment events.

Revolving borrowings under the new credit facility will bear interest at an interest rate equal to, at our option, either the Base Rate or LIBOR (or EURIBOR, in the case of Euro-denominated borrowings) plus the applicable margin. "Base Rate" means the greatest of (a) the prime rate, (b) the federal funds effective rate plus 0.50% and (c) one-month LIBOR plus 1.00%. The applicable margin for revolving borrowings varies (i) in the case of LIBOR loans, from 1.50% to 2.75% and (ii) in the case of Base Rate loans, from 0.50% to 1.75%, and will be determined based on our total leverage ratio pricing grid. Until the term loans are refinanced in full with the proceeds of certain qualifying unsecured debt or equity issuances, the applicable margin for borrowings under the revolving facility will be increased by 1.00% until the first anniversary of the Initial Availability Date and by 1.50% following the first anniversary of the Initial Availability Date. Term loan borrowings under the new credit facility will bear interest at an interest rate equal to, at our option, either (1) the Base Rate, plus 4.75%, or (2) the greater of LIBOR or 1.00%, plus 5.75%.

In addition, we will be required to pay (i) ticking fees of 0.30% based on the commitment amounts during the period from and after December 1, 2015 until the earlier of the Initial Availability Date and the termination of the commitments and (ii) from and after the Initial Availability Date, revolving commitment fees based on the daily unused amount of the new revolving credit facility in an amount per annum equal to an applicable percentage, which ranges from 0.25% to 0.50% and is determined based on our total leverage ratio pricing grid.

The credit agreement contains various covenants with which we, EESLP and their respective restricted subsidiaries must comply beginning on the Initial Availability Date, including, but not limited to, limitations on the incurrence of indebtedness, investments, liens on assets, repurchasing equity and making distributions, transactions with affiliates, mergers, consolidations, dispositions of assets and other provisions customary in similar types of agreements. We are required to maintain, on a consolidated basis, minimum interest coverage, maximum total leverage and maximum senior secured leverage ratios, and the credit agreement contains various customary representations and warranties and events of default.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a Registration Statement on Form 10 under the Exchange Act relating to the common stock being distributed in the spin-off. This information statement forms a part of that registration statement but does not contain all of the information set forth in the registration statement and the exhibits and schedules to the registration statement. For further information relating to us and the shares of our common stock, reference is made to the registration statement, including its exhibits. Statements made in this information statement relating to any contract or other document are not necessarily complete and you should refer to the exhibits attached to the registration statement for copies of the actual contract or document. You may review a copy of the registration statement, including its exhibits and schedules, at the SEC's Public Reference Room, located at 100 F Street, NE, Washington, D.C. 20549 or on the SEC's website at http://www.sec.gov. You may obtain a copy of the registration statement from the SEC's Public Reference Room upon payment of prescribed fees. Please call the SEC at (800) SEC-0330 for further information on the operation of the Public Reference Room.

We are currently, and following the spin-off will continue to be, subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, we file periodic reports and other information with the SEC. Those periodic reports and other information are available for inspection and copying at the SEC's Public Reference Room and the SEC's website at http://www.sec.gov. Following the spin-off, our proxy statements will be available in the same manner.

We intend to furnish holders of our common stock with annual reports containing financial statements prepared in accordance with U.S. generally accepted accounting principles and audited and reported on, with an opinion expressed, by an independent registered public accounting firm.

We make available free of charge on our website, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports as soon as reasonably practicable after we electronically file or furnish such materials to the SEC. All of these documents are made available free of charge on our website, www.exterran.com and will be provided free of charge to any shareholders requesting a copy by writing to: Exterran Corporation, 4444 Brittmoore Road, Houston, Texas 77041 Attention: Investor Relations. The information on our website is not, and shall not be deemed to be, a part of this information statement or incorporated into any other filings we make with the SEC.

No person is authorized to give any information or to make any representations with respect to the matters described in this information statement other than those contained in this information statement or in the documents incorporated by reference in this information statement and, if given or made, such information or representation must not be relied upon as having been authorized by us or Exterran Holdings. Neither the delivery of this information statement nor completion of the spin-off shall, under any circumstances, create any implication that there has been no change in our affairs or those of Exterran Holdings since the date of this information statement.

INDEX TO COMBINED FINANCIAL STATEMENTS

Audited Annual Combined Financial Statements:

Report of Independent Registered Public Accounting Firm	F-2
Combined Balance Sheets as of December 31, 2014 and 2013	F-3
Combined Statements of Operations for the Years ended December 31, 2014, 2013 and 2012	F-4
Combined Statements of Comprehensive Income for the Years ended December 31, 2014, 2013 and 2012	F-5
Combined Statements of Changes in Equity for the Years ended December 31, 2014, 2013 and 2012	F-6
Combined Statements of Cash Flows for the Years ended December 31, 2014, 2013 and 2012	F-7
Notes to Combined Financial Statements	F-8
Schedule II—Valuation and Qualifying Accounts	F-37

Unaudited Interim Condensed Combined Financial Statements:

Condensed Combined Balance Sheets as of June 30, 2015 and December 31, 2014	F-38
Condensed Combined Statements of Operations for the Six Months ended June 30, 2015 and 2014	F-39
Condensed Combined Statements of Comprehensive Income for the Six Months ended June 30, 2015 and 2014	F-40
Condensed Combined Statements of Changes in Equity for the Six Months ended June 30, 2015 and 2014	F-41
Condensed Combined Statements of Cash Flows for the Six Months ended June 30, 2015 and 2014	F-42
Notes to Condensed Combined Financial Statements	F-43

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Exterran Holdings, Inc.
Houston, Texas

We have audited the accompanying combined balance sheets of the International Services and Global Product Sales Businesses of Exterran Holdings, Inc. and subsidiaries (the "Company"), as of December 31, 2014 and 2013, and the related combined statements of operations, comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2014. Our audits also included the financial statement schedule for each of the three years in the period ended December 31, 2014 listed in the Index on page F-1. These financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2014 and 2013, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule when considered in relation to the basic combined financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

As described in Note 1, the accompanying combined financial statements have been derived from the consolidated financial statements and accounting records of Exterran Holdings, Inc. The combined financial statements also include expense allocations for certain corporate functions historically provided by Exterran Holdings, Inc. These allocations may not be reflective of the actual expense which would have been incurred had the Company operated as a separate entity apart from Exterran Holdings, Inc.

/s/ DELOITTE & TOUCHE LLP

Houston, Texas
March 13, 2015

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

COMBINED BALANCE SHEETS

(In thousands)

	December 31,	
	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	$ 39,361	$ 35,194
Restricted cash	1,490	1,269
Accounts receivable, net of allowance of $2,133 and $7,381, respectively	398,070	352,903
Inventory, net	291,240	283,011
Costs and estimated earnings in excess of billings on uncompleted contracts	120,938	117,175
Current deferred income taxes	48,890	38,112
Other current assets	53,977	54,376
Current assets associated with discontinued operations	468	91
Total current assets	954,434	882,131
Property, plant and equipment, net	954,811	965,196
Intangible and other assets, net	123,578	151,884
Total assets	$ 2,032,823	$ 1,999,211
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable, trade	$ 161,826	$ 128,435
Accrued liabilities	168,577	204,142
Deferred revenue	64,820	87,079
Billings on uncompleted contracts in excess of costs and estimated earnings	76,277	87,925
Current liabilities associated with discontinued operations	1,338	2,364
Total current liabilities	472,838	509,945
Long-term debt	1,107	1,539
Deferred income taxes	38,180	49,538
Long-term deferred revenue	41,591	31,391
Other long-term liabilities	26,968	32,447
Long-term liabilities associated with discontinued operations	317	447
Total liabilities	581,001	625,307
Commitments and contingencies (Note 16)		
Equity:		
Parent equity	1,435,046	1,342,480
Accumulated other comprehensive income	16,776	31,424
Total equity	1,451,822	1,373,904
Total liabilities and equity	$ 2,032,823	$ 1,999,211

The accompanying notes are an integral part of these combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

COMBINED STATEMENTS OF OPERATIONS

(In thousands)

	Years Ended December 31,		
	2014	2013	2012
Revenues:			
Contract operations	$ 493,853	$ 476,016	$ 463,957
Aftermarket services	162,724	160,672	145,048
Product sales—third parties	1,283,208	1,660,344	1,349,817
Product sales—affiliates	232,969	118,441	109,902
	2,172,754	2,415,473	2,068,724
Costs and expenses:			
Cost of sales (excluding depreciation and amortization expense):			
Contract operations	185,408	196,944	184,608
Aftermarket services	120,181	120,344	107,858
Product sales	1,270,296	1,514,669	1,291,652
Selling, general and administrative	267,493	264,890	269,812
Depreciation and amortization	173,803	140,029	167,499
Long-lived asset impairment	3,851	11,941	5,197
Restructuring charges	—	—	3,892
Interest expense	1,905	3,551	5,318
Equity in income of non-consolidated affiliates	(14,553)	(19,000)	(51,483)
Other (income) expense, net	7,222	(1,966)	5,638
	2,015,606	2,231,402	1,989,991
Income before income taxes	157,148	184,071	78,733
Provision for income taxes	77,833	97,367	26,226
Income from continuing operations	79,315	86,704	52,507
Income from discontinued operations, net of tax	73,198	66,149	66,843
Net income	$ 152,513	$ 152,853	$ 119,350

The accompanying notes are an integral part of these combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands)

	Years Ended December 31,		
	2014	2013	2012
Net income	$ 152,513	$ 152,853	$ 119,350
Other comprehensive income:			
Foreign currency translation adjustment	(14,648)	4,531	3,762
Comprehensive income	$ 137,865	$ 157,384	$ 123,112

The accompanying notes are an integral part of these combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

COMBINED STATEMENTS OF CHANGES IN EQUITY

(In thousands)

	Parent Equity	Accumulated Other Comprehensive Income	Total Equity
Balance, January 1, 2012	$ 1,427,697	$ 23,131	$ 1,450,828
Net income	119,350		119,350
Net distributions to parent	(166,546)		(166,546)
Foreign currency translation adjustment		3,762	3,762
Balance at December 31, 2012	$ 1,380,501	$ 26,893	$ 1,407,394
Net income	152,853		152,853
Net distributions to parent	(190,874)		(190,874)
Foreign currency translation adjustment		4,531	4,531
Balance at December 31, 2013	$ 1,342,480	$ 31,424	$ 1,373,904
Net income	152,513		152,513
Net distributions to parent	(59,947)		(59,947)
Foreign currency translation adjustment		(14,648)	(14,648)
Balance at December 31, 2014	$ 1,435,046	$ 16,776	$ 1,451,822

The accompanying notes are an integral part of these combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

COMBINED STATEMENTS OF CASH FLOWS

(In thousands)

	Years Ended December 31,		
	2014	2013	2012
Cash flows from operating activities:			
Net income	$ 152,513	$ 152,853	$ 119,350
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	173,803	140,029	167,499
Long-lived asset impairment	3,851	11,941	5,197
Income from discontinued operations, net of tax	(73,198)	(66,149)	(66,843)
Provision for doubtful accounts	679	2,317	7,642
Gain on sale of property, plant and equipment	(1,834)	(3,398)	(573)
Equity in income of non-consolidated affiliates	(14,553)	(19,000)	(51,483)
Loss on remeasurement of intercompany balances	3,614	4,313	7,406
Loss on sale of businesses	961	—	—
Capital contribution by parent—stock-based compensation expense	5,288	5,330	6,057
Deferred income tax provision	10,106	15,956	(14,744)
Changes in assets and liabilities:			
Accounts receivable and notes	(50,641)	(16,981)	(12,901)
Inventory	(11,893)	(24,535)	(33,578)
Costs and estimated earnings versus billings on uncompleted contracts	(17,078)	(36,539)	45,559
Other current assets	(1,285)	23,412	25,906
Accounts payable and other liabilities	(6,949)	9,180	(15,063)
Deferred revenue	(9,913)	(14,322)	7,335
Other	(18,373)	(19,987)	(30,387)
Net cash provided by continuing operations	145,098	164,420	166,379
Net cash provided by discontinued operations	5,844	5,866	2,054
Net cash provided by operating activities	150,942	170,286	168,433
Cash flows from investing activities:			
Capital expenditures	(157,854)	(100,195)	(164,790)
Proceeds from sale of property, plant and equipment	12,219	21,264	19,210
Proceeds from sale of businesses	1,516	—	—
Return of investments in non-consolidated affiliates	14,750	19,000	51,707
(Increase) decrease in restricted cash	(221)	14	(162)
Cash invested in non-consolidated affiliates	(197)	—	(224)
Net cash used in continuing operations	(129,787)	(59,917)	(94,259)
Net cash provided by discontinued operations	66,210	74,830	135,959
Net cash provided by (used in) investing activities	(63,577)	14,913	41,700
Cash flows from financing activities:			
Net distributions to parent	(79,273)	(182,685)	(196,934)
Net cash used in financing activities	(79,273)	(182,685)	(196,934)
Effect of exchange rate changes on cash and cash equivalents	(3,925)	(1,487)	(486)
Net increase in cash and cash equivalents	4,167	1,027	12,713
Cash and cash equivalents at beginning of period	35,194	34,167	21,454
Cash and cash equivalents at end of period	$ 39,361	$ 35,194	$ 34,167
Supplemental disclosure of cash flow information:			
Income taxes paid, net	$ 63,372	$ 73,497	$ 35,920
Interest paid	$ 1,905	$ 3,551	$ 5,318
Supplemental disclosure of non-cash transactions:			
Net transfers of property, plant and equipment to (from) parent	$ (17,472)	$ 12,578	$ (24,785)
Accrued capital expenditures	$ 15,426	$ 6,442	$ 9,216

The accompanying notes are an integral part of these combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS

1. Spin-off, Description of Business and Basis of Presentation

Spin-off

On November 17, 2014, Exterran Holdings, Inc. (along with its subsidiaries "Exterran Holdings" unless the context indicates otherwise) announced that its board of directors had unanimously approved pursuing a plan to separate (the "spin-off") its international contract operations, international aftermarket services (the international contract operations and international aftermarket services businesses combined are referred to as the "international services businesses" and include such activities conducted outside of the United States of America ("U.S.")) and global fabrication business into an independent, publicly traded company ("SpinCo"). We refer to the global fabrication business currently operated by Exterran Holdings as our product sales business. This spin-off is expected to be completed in accordance with a separation and distribution agreement between Exterran Holdings and SpinCo. To effect the spin-off, Exterran Holdings intends to distribute, on a pro rata basis, all of the shares of SpinCo common stock to the Exterran Holdings' stockholders as of the record date for the spin-off. The spin-off is subject to market conditions, the receipt of an opinion of counsel as to the tax treatment of the transaction, completion of a review by the U.S. Securities and Exchange Commission of this Form 10, the execution of separation and intercompany agreements and final approval of the Exterran Holdings' board of directors. The spin-off will not be subject to a shareholder vote. Upon completion of the spin-off, Exterran Holdings and SpinCo will each be independent, publicly traded companies and will have separate public ownership, boards of directors and management.

Description of Business

SpinCo, together with its subsidiaries ("our", "we" or "us") is a market leader in the provision of compression, production and processing products and services that support the production and transportation of oil and natural gas throughout the world. We provide these products and services to a global customer base consisting of companies engaged in all aspects of the oil and natural gas industry, including large integrated oil and natural gas companies, national oil and natural gas companies, independent oil and natural gas producers and oil and natural gas processors, gatherers and pipeline operators. We operate in three primary business lines: contract operations, aftermarket services and product sales. In our contract operations business line, we own and operate natural gas compression equipment and crude oil and natural gas production and processing equipment on behalf of our customers. In our aftermarket services business line, we provide operations, maintenance, overhaul and reconfiguration services to customers who own their own compression, production, processing, treating and related equipment. In our product sales business line, we fabricate natural gas compression packages and oil and natural gas production and processing equipment for sale to our customers and for use in our contract operations services. In addition, our product sales business line provides engineering, procurement and fabrication services related to the manufacturing of critical process equipment for refinery and petrochemical facilities, the fabrication of tank farms and the fabrication of evaporators and brine heaters for desalination plants. We offer our customers, on either a contract operations basis or a sale basis, the engineering, design, project management, procurement and construction services necessary to incorporate our products into production, processing and compression facilities, which we refer to as Integrated Projects.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

1. Spin-off, Description of Business and Basis of Presentation (Continued)

Basis of Presentation

These combined financial statements were prepared in connection with the expected spin-off and are derived from the accounting records of Exterran Holdings. These statements reflect the combined historical results of operations, financial position and cash flows of Exterran Holdings' international services and global product sales businesses in conformity with accounting principles generally accepted in the U.S. ("GAAP"). These combined financial statements are presented as if such businesses had been combined for all periods presented. All intercompany transactions and accounts within SpinCo have been eliminated. All affiliate transactions between SpinCo and Exterran Holdings have been included in these combined financial statements. See Note 14 for further discussion on transactions with affiliates.

The combined financial statements include certain assets and liabilities that have historically been held at the Exterran Holdings level but are specifically identifiable or otherwise attributable to us. The assets and liabilities in the combined financial statements have been reflected on a historical cost basis, as immediately prior to the spin-off all of the assets and liabilities of SpinCo are wholly owned by Exterran Holdings. Third party debt, other than debt attributable to capital leases, of Exterran Holdings were not allocated to us for any of the periods presented as we are not the legal obligor of the debt and the Exterran Holdings' borrowings were not directly attributable to our business. The combined statement of operations also includes expense allocations for certain functions historically performed by Exterran Holdings and not allocated to its operating segments, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology. See Note 14 for further discussion regarding the allocation of corporate expenses.

Investments in affiliated entities in which we own more than a 20% interest and do not have a controlling interest are accounted for using the equity method.

2. Significant Accounting Policies

Use of Estimates in the Combined Financial Statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses, as well as the disclosures of contingent assets and liabilities. Because of the inherent uncertainties in this process, actual future results could differ from those expected at the reporting date. Management believes that the estimates and assumptions used are reasonable.

Cash and Cash Equivalents

We consider all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash as of December 31, 2014 and 2013 consists of cash that contractually is not available for immediate use. Restricted cash is presented separately from cash and cash equivalents in the combined balance sheets and statements of cash flows.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

Revenue Recognition

Contract operations revenue is recognized when earned, which generally occurs monthly when service is provided under our customer contracts. Aftermarket services revenue is recognized as products are delivered and title is transferred or services are performed for the customer.

Product sales revenue from third-parties is recognized using the percentage-of-completion method when the applicable criteria are met. We estimate percentage-of-completion for compressor and accessory product sales on a direct labor hour to total labor hour basis. We estimate production and processing equipment product sales percentage-of-completion using the direct labor hour to total labor hour basis and the cost to total cost basis. The duration of these projects is typically between three and 24 months. Product sales revenue is recognized using the completed contract method when the applicable criteria of the percentage-of-completion method are not met. Product sales revenue from affiliates is recognized using the completed contract method as the equipment is not guaranteed to be sold to the affiliate until the entities have entered into a bill of sale for such equipment which occurs once the fabrication process has been completed. Product sales revenue from a claim is recognized to the extent that costs related to the claim have been incurred, when collection is probable and can be reliably estimated. We estimate the future costs and gross margin on uncompleted contracts related to our product sales contracts. If we determine that a contract will result in a loss, we record a provision for the entire amount of the estimated loss in the period in which such loss is identified.

Concentrations of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash and cash equivalents and accounts receivable. We believe that the credit risk in temporary cash investments is limited because our cash is held in accounts with multiple financial institutions. Trade accounts receivable are due from companies of varying size engaged principally in oil and natural gas activities throughout the world. We review the financial condition of customers prior to extending credit and generally do not obtain collateral for trade receivables. Payment terms are on a short-term basis and in accordance with industry practice. We consider this credit risk to be limited due to these companies' financial resources, the nature of products and services we provide and the terms of our contract operations customer service agreements.

We maintain allowances for doubtful accounts for estimated losses resulting from our customers' inability to make required payments. The determination of the collectability of amounts due from our customers requires us to use estimates and make judgments regarding future events and trends, including monitoring our customers' payment history and current creditworthiness to determine that collectability is reasonably assured, as well as consideration of the overall business climate in which our customers operate. Inherently, these uncertainties require us to make judgments and estimates regarding our customers' ability to pay amounts due to us in order to determine the appropriate amount of valuation allowances required for doubtful accounts. We review the adequacy of our allowance for doubtful accounts quarterly. We determine the allowance needed based on historical write-off experience and by evaluating significant balances aged greater than 90 days individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. During the years ended

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

December 31, 2014, 2013 and 2012, we recorded bad debt expense of $0.6 million, $2.3 million and $7.6 million, respectively.

Inventory

Inventory consists of parts used for fabrication or maintenance of natural gas compression equipment and facilities, processing and production equipment and also includes compression units and production equipment that are held for sale. Inventory is stated at the lower of cost or market using the average-cost method. A reserve is recorded against inventory balances for estimated obsolescence based on specific identification and historical experience.

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and depreciated using the straight-line method over their estimated useful lives as follows:

Compression equipment, facilities and other fleet assets	3 to 30 years
Buildings	20 to 35 years
Transportation, shop equipment and other	3 to 12 years

Major improvements that extend the useful life of an asset are capitalized. Repairs and maintenance are expensed as incurred. When property, plant and equipment is sold, retired or otherwise disposed of, the gain or loss is recorded in other (income) expense, net.

Computer software

Certain costs related to the development or purchase of internal-use software are capitalized and amortized over the estimated useful life of the software, which ranges from three to five years. Costs related to the preliminary project stage and the post-implementation/operation stage of an internal-use computer software development project are expensed as incurred.

Long-Lived Assets

We review long-lived assets, including property, plant and equipment and identifiable intangibles that are being amortized, for impairment whenever events or changes in circumstances, including the removal of compressor units from our active fleet, indicate that the carrying amount of an asset may not be recoverable. An impairment loss exists when estimated undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount. When necessary, an impairment loss is recognized and represents the excess of the asset's carrying value as compared to its estimated fair value and is charged to the period in which the impairment occurred. Identifiable intangibles are amortized over the assets' estimated useful lives.

Deferred Revenue

Deferred revenue is primarily comprised of billings related to jobs where revenue is recognized on the percentage-of-completion method that have not begun, milestone billings related to jobs where

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

revenue is recognized on the completed contract method and deferred revenue on contract operations jobs.

Other (Income) Expense, Net

Other (income) expense, net, is primarily comprised of gains and losses from the remeasurement of our international subsidiaries' net assets exposed to changes in foreign currency rates and on the sale of used assets.

Income Taxes

Our operations are subject to U.S. federal, state and local and foreign income taxes. In preparing our combined financial statements, we have determined our tax provision on a separate return, stand-alone basis. In the U.S., our operations have been historically included in Exterran Holdings' income tax returns. Differences between Exterran Holdings' U.S. separate income tax returns and cash flows attributable to income taxes for our U.S. operations have been recognized as distributions to, or contributions from, parent within parent equity.

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events included in the combined financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the combined financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

We record net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies and results of recent operations. In the event we were to determine that we would be able to realize our deferred income tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

We record uncertain tax positions in accordance with the accounting standard on income taxes under a two-step process whereby (1) we determine whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is greater than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Foreign Currency Translation

The financial statements of subsidiaries outside the U.S., except those for which we have determined that the U.S. dollar is the functional currency, are measured using the local currency as the functional currency. Assets and liabilities of these subsidiaries are translated at the rates of exchange in effect at the balance sheet date. Income and expense items are translated at average monthly rates of

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

exchange. The resulting gains and losses from the translation of accounts into U.S. dollars are included in accumulated other comprehensive income (loss) in our combined balance sheets. For all subsidiaries, gains and losses from remeasuring foreign currency accounts into the functional currency are included in other (income) expense, net, in our combined statements of operations. We recorded a foreign currency loss of $8.8 million, $3.0 million and $8.2 million during the years ended December 31, 2014, 2013 and 2012, respectively. Included in our foreign currency loss was $3.6 million, $4.3 million and $7.4 million of non-cash losses from foreign currency exchange rate changes recorded on intercompany obligations during the years ended December 31, 2014, 2013 and 2012, respectively.

Argentina's current regulations restrict foreign exchange, including exchanging Argentine pesos for U.S. dollars in certain cases, and we are unable to freely repatriate cash generated in Argentina to fund our other operations. During 2014, we used Argentine pesos to purchase certain short-term investments in Argentine government issued U.S. dollar denominated bonds. The effective peso to U.S. dollar exchange rate embedded in the purchase price of these bonds resulted in our recognition of a loss during the year ended December 31, 2014 of $6.5 million, which is included in other (income) expense, net, in our combined statements of operations.

Comprehensive Income (Loss)

Components of comprehensive income are net income and all changes in equity during a period except those resulting from transactions with owners. Our accumulated other comprehensive income consists of foreign currency translation adjustments.

The following table presents the changes in accumulated other comprehensive income by component, net of tax, during the years ended December 31, 2012, 2013 and 2014 (in thousands):

	Foreign Currency Translation Adjustment
Accumulated other comprehensive income, January 1, 2012	$ 23,131
Income recognized in other comprehensive income	3,762
Accumulated other comprehensive income, December 31, 2012	26,893
Loss recognized in other comprehensive income	(2,960)
Loss reclassified from accumulated other comprehensive income	7,491(1)
Accumulated other comprehensive income, December 31, 2013	31,424
Loss recognized in other comprehensive income	(11,871)
Gain reclassified from accumulated other comprehensive income	(2,777)(2)
Accumulated other comprehensive income, December 31, 2014	$ 16,776

(1) During the year ended December 31, 2013, we reclassified losses of $5.1 million and $2.4 million related to foreign currency translation adjustments to income from discontinued operations, net of tax, and long-lived asset impairment, respectively, in our combined statements of operations. These amounts represent cumulative foreign currency

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

2. Significant Accounting Policies (Continued)

translation adjustments associated with our contract operations and aftermarket services businesses in Canada ("Canadian Operations") and a United Kingdom entity that previously had been recognized in accumulated other comprehensive income (loss). See Note 3 for further discussion of the sale of our Canadian Operations. Additionally, as discussed in Note 11, we sold the entity that owned our product sales facility in the United Kingdom in July 2013 and, we recognized impairment during the year ended December 31, 2013 based on the net transaction value set forth in our agreement to sell this entity.

(2) During the year ended December 31, 2014, we reclassified a gain of $2.8 million related to foreign currency translation adjustments to other (income) expense, net, in our combined statements of operations. This amount represents cumulative foreign currency translation adjustments associated with our contract operations and aftermarket services businesses in Australia, which were sold in December 2014, that previously had been recognized in accumulated other comprehensive income (loss).

Financial Instruments

Our financial instruments consist of cash, restricted cash, receivables and payables. At December 31, 2014 and 2013, the estimated fair values of these financial instruments approximated their carrying amounts as reflected in our combined balance sheets. See Note 10 for additional information regarding the fair value hierarchy.

3. Discontinued Operations

In May 2009, the Venezuelan government enacted a law that reserves to the State of Venezuela certain assets and services related to hydrocarbon activities, which included substantially all of our assets and services in Venezuela. The law provides that the reserved activities are to be performed by the State, by the State-owned oil company, Petroleos de Venezuela S.A. ("PDVSA"), or its affiliates, or through mixed companies under the control of PDVSA or its affiliates. The law authorizes PDVSA or its affiliates to take possession of the assets and take over control of those operations related to the reserved activities as a step prior to the commencement of an expropriation process, and permits the national executive of Venezuela to decree the total or partial expropriation of shares or assets of companies performing those services.

In June 2009, PDVSA commenced taking possession of our assets and operations in a number of our locations in Venezuela and by the end of the second quarter of 2009, PDVSA had assumed control over substantially all of our assets and operations in Venezuela. The expropriation of our business in Venezuela meets the criteria established for recognition as discontinued operations under GAAP. Therefore, our Venezuelan contract operations business is reflected as discontinued operations in our combined financial statements.

In March 2010, our Spanish subsidiary filed a request for the institution of an arbitration proceeding against Venezuela with the International Centre for Settlement of Investment Disputes ("ICSID") related to the seized assets and investments under the agreement between Spain and Venezuela for the Reciprocal Promotion and Protection of Investments and under Venezuelan law. The arbitration hearing occurred in July 2012.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

3. Discontinued Operations (Continued)

In August 2012, our Venezuelan subsidiary sold its previously nationalized assets to PDVSA Gas, S.A. ("PDVSA Gas") for a purchase price of approximately $441.7 million. We received an initial payment of $176.7 million in cash at closing, of which we remitted $50.0 million to repay the amount we collected in January 2010 under the terms of an insurance policy we maintained for the risk of expropriation. We received installment payments, including an annual charge, totaling $72.6 million, $69.3 million and $16.8 million during the years ended December 31, 2014, 2013 and 2012, respectively. The remaining principal amount due to us of approximately $116 million as of December 31, 2014, is payable in quarterly cash installments through the third quarter of 2016. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as income from discontinued operations in the periods such payments are received. The proceeds from the sale of the assets are not subject to Venezuelan national taxes due to an exemption allowed under the Venezuelan Reserve Law applicable to expropriation settlements. In addition, and in connection with the sale, we and the Venezuelan government agreed to waive rights to assert certain claims against each other. We therefore recorded a reduction in previously unrecognized tax benefits, resulting in a $15.5 million benefit reflected in income (loss) from discontinued operations, net of tax, in our combined statements of operations during the year ended December 31, 2012.

In connection with the sale of these assets, we have agreed to suspend the arbitration proceeding previously filed by our Spanish subsidiary against Venezuela pending payment in full by PDVSA Gas of the purchase price for these nationalized assets.

In June 2012, we committed to a plan to sell our Canadian Operations as part of our continued emphasis on simplification and focus on our core businesses. Our Canadian Operations are reflected as discontinued operations in our combined financial statements. These operations were previously included in our contract operations and aftermarket services business segments. In connection with the planned disposition, we recorded impairment charges totaling $6.4 million and $80.2 million during the years ended December 31, 2013 and 2012, respectively. The impairment charges are reflected in income from discontinued operations, net of tax, in our combined statements of operations.

In July 2013, we completed the sale of our Canadian Operations to Ironline Compression Holdings LLC, an affiliate of Staple Street Capital L.L.C. We received the following consideration for the sale of the Canadian Operations (specified in either U.S. dollars ("$") or Canadian dollars ("CDN$")): (i) cash proceeds of $12.3 million, net of transaction expenses, (ii) a note receivable of CDN$8.1 million, (iii) contingent consideration of CDN$5.0 million based upon the Canadian Operations reaching a specified performance threshold prior to December 31, 2016 and (iv) a potential tax refund related to the Canadian Operations of CDN$1.6 million if such amounts are received by the Canadian Operations.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

3. Discontinued Operations (Continued)

The following table summarizes the operating results of discontinued operations (in thousands):

	Years Ended December 31,						
	2014	2013			2012		
	Venezuela	Venezuela	Canada	Total	Venezuela	Canada	Total
Revenue	$ —	$ —	$ 24,458	$ 24,458	$ —	$ 50,557	$ 50,557
Expenses and selling, general and administrative	479	883	21,810	22,693	1,275	50,521	51,796
Loss (recovery) attributable to expropriation and impairments	(66,040)	(66,344)	6,376	(59,968)	(136,947)	80,159	(56,788)
Other income, net	(7,637)	(4,552)	(30)	(4,582)	(219)	(130)	(349)
Provision for (benefit from) income taxes	—	—	166	166	(13,509)	2,564	(10,945)
Income (loss) from discontinued operations, net of tax	$ 73,198	$ 70,013	$ (3,864)	$ 66,149	$ 149,400	$ (82,557)	$ 66,843

The following table summarizes the balance sheet data for discontinued operations (in thousands):

	December 31,	
	2014	2013
Cash	$ 431	$ 74
Accounts receivable	2	1
Other current assets	35	16
Total current assets associated with discontinued operations	468	91
Total assets associated with discontinued operations	$ 468	$ 91
Accounts payable	$ 214	$ 366
Accrued liabilities	1,124	1,998
Total current liabilities associated with discontinued operations	1,338	2,364
Other long-term liabilities	317	447
Total liabilities associated with discontinued operations	$ 1,655	$ 2,811

4. Inventory, net

Inventory, net of reserves, consisted of the following amounts (in thousands):

	December 31,	
	2014	2013
Parts and supplies	$ 148,724	$ 121,479
Work in progress	108,814	120,884
Finished goods	33,702	40,648
Inventory, net	$ 291,240	$ 283,011

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

4. Inventory, net (Continued)

During the years ended December 31, 2014, 2013 and 2012, we recorded $3.2 million, $0.6 million and $0.6 million, respectively, in inventory write-downs and reserves for inventory which was obsolete, excess or carried at a price above market value. As of December 31, 2014 and 2013, we had inventory reserves of $8.7 million and $8.2 million, respectively.

5. Product Sales Contracts

Costs, estimated earnings and billings on uncompleted contracts that are recognized using the percentage-of-completion method consisted of the following (in thousands):

	December 31,	
	2014	2013
Costs incurred on uncompleted contracts	$ 811,977	$ 713,889
Estimated earnings	134,569	109,494
	946,546	823,383
Less—billings to date	(901,885)	(794,133)
	$ 44,661	$ 29,250

Costs, estimated earnings and billings on uncompleted contracts are presented in the accompanying combined financial statements as follows (in thousands):

	December 31,	
	2014	2013
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 120,938	$ 117,175
Billings on uncompleted contracts in excess of costs and estimated earnings	(76,277)	(87,925)
	$ 44,661	$ 29,250

6. Property, Plant and Equipment, net

Property, plant and equipment, net, consisted of the following (in thousands):

	December 31,	
	2014	2013
Compression equipment, facilities and other fleet assets	$ 1,514,982	$ 1,512,186
Land and buildings	154,866	151,627
Transportation and shop equipment	194,032	191,609
Other	112,732	104,972
	1,976,612	1,960,394
Accumulated depreciation	(1,021,801)	(995,198)
Property, plant and equipment, net	$ 954,811	$ 965,196

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

6. Property, Plant and Equipment, net (Continued)

Depreciation expense was $167.3 million, $131.7 million and $156.5 million during the years ended December 31, 2014, 2013 and 2012, respectively. Assets under construction of $70.7 million and $50.8 million were primarily included in compression equipment, facilities and other fleet assets at December 31, 2014 and 2013, respectively.

7. Intangible and Other Assets, net

Intangible and other assets, net, consisted of the following (in thousands):

	December 31,	
	2014	2013
Intangible assets, net	$ 23,788	$ 29,844
Deferred taxes	57,899	79,143
Recoverable foreign social security tax	19,372	21,294
Other	22,519	21,603
Intangibles and other assets, net	$ 123,578	$ 151,884

Intangible assets consisted of the following (in thousands):

	December 31, 2014		December 31, 2013	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Marketing related (20 year life)	$ 2,638	$ (1,747)	$ 2,691	$ (1,677)
Customer related (17 - 20 year life)	81,088	(59,918)	82,325	(56,665)
Technology based (20 year life)	3,843	(3,480)	4,149	(3,604)
Contract based (2 - 11 year life)	44,983	(43,619)	45,471	(42,846)
Intangible assets	$ 132,552	$ (108,764)	$ 134,636	$ (104,792)

Amortization of intangible assets totaled $6.5 million, $8.3 million and $11.0 million during the years ended December 31, 2014, 2013 and 2012, respectively.

Estimated future intangible amortization expense is as follows (in thousands):

2015	$ 5,200
2016	4,250
2017	3,149
2018	2,572
2019	2,119
Thereafter	6,498
Total	$ 23,788

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

8. Investments in Non-Consolidated Affiliates

Investments in affiliates that are not controlled by us where we have the ability to exercise significant influence over the operations are accounted for using the equity method.

We own a 30.0% interest in WilPro Energy Services (PIGAP II) Limited and 33.3% interest in WilPro Energy Services (El Furrial) Limited which are joint ventures that provided natural gas compression and injection services in Venezuela. In May 2009, PDVSA assumed control over the assets of our Venezuelan joint ventures and transitioned the operations, including the hiring of their employees, to PDVSA. In March 2011, our Venezuelan joint ventures, together with the Netherlands' parent company of our joint venture partners, filed a request for the institution of an arbitration proceeding against Venezuela with ICSID related to the seized assets and investments.

In March 2012, our Venezuelan joint ventures sold their assets to PDVSA Gas. We received an initial payment of $37.6 million in March 2012, and received installment payments, including an annual charge, totaling $14.7 million, $19.0 million and $14.1 million during the years ended December 31, 2014, 2013 and 2012, respectively. The remaining principal amount due to us of approximately $26 million as of December 31, 2014, is payable in quarterly cash installments through the first quarter of 2016. In January 2015, we received an installment payment, including an annual charge, of $5.0 million that was due to us in December 2014. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as equity in (income) loss of non-consolidated affiliates in our combined statements of operations in the periods such payments are received. In connection with the sale of our Venezuelan joint ventures' assets, the joint ventures and our joint venture partners have agreed to suspend their previously filed arbitration proceeding against Venezuela pending payment in full by PDVSA Gas of the purchase price for the assets.

9. Accrued Liabilities

Accrued liabilities consisted of the following (in thousands):

	December 31,	
	2014	2013
Accrued salaries and other benefits	$ 75,635	$ 69,176
Accrued income and other taxes	47,406	63,144
Accrued warranty expense	11,203	4,644
Deferred income taxes	635	1,377
Accrued start-up and commissioning expenses	3,630	8,445
Accrued other liabilities	30,068	57,356
Accrued liabilities	$ 168,577	$ 204,142

During 2014, we accrued $7.0 million of warranty expense on one project for a single customer. Our warranty expense was $10.5 million, $4.9 million and $4.8 million during the years ended December 31, 2014, 2013 and 2012, respectively.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

10. Fair Value Measurements

The accounting standard for fair value measurements and disclosures establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into the following three broad categories.

- *Level 1*—Quoted unadjusted prices for identical instruments in active markets to which we have access at the date of measurement.
- *Level 2*—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or prices vary substantially over time or among brokered market makers.
- *Level 3*—Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect our own assumptions regarding how market participants would price the asset or liability based on the best available information.

The following table presents our assets and liabilities measured at fair value on a nonrecurring basis during the years ended December 31, 2014 and 2013, with pricing levels as of the date of valuation (in thousands):

	Year Ended December 31, 2014			Year Ended December 31, 2013		
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Impaired long-lived assets	$ —	$ —	$ —	$ —	$ —	$ —
Impaired long-lived assets—Discontinued operations	—	—	—	—	—	—
Long-term receivable from the sale of our Canadian Operations	—	—	—	—	—	7,300

Our estimate of the impaired long-lived assets' fair value was primarily based on the estimated component value of the equipment we plan to use and expected net sale proceeds. Impaired long-lived assets include our estimate of the fair value of the impaired assets of the entity that owned our product sales facility in the United Kingdom, which was based on the net transaction value set forth in our July 2013 agreement to sell this entity. Our estimate of the fair value of the impaired assets that are classified as discontinued operations was based on our expected proceeds, net of selling costs. Our estimate of the fair value of the long-term receivable from the sale of our Canadian Operations, which included a note receivable and contingent consideration, was discounted based on a settlement period of 5.5 years, a discount rate of 13% and a probability weighted factor of the achievement of the specified performance threshold.

11. Long-Lived Asset Impairment

During the year ended December 31, 2014, we evaluated the future deployment of our idle fleet and determined to retire approximately 20 idle compressor units, representing approximately 18,000 horsepower, previously used to provide services in our contract operations segment. As a result, we performed an impairment review and recorded a $2.8 million asset impairment to reduce the book

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

11. Long-Lived Asset Impairment (Continued)

value of each unit to its estimated fair value. The fair value of each unit was estimated based on the estimated component value of the equipment we plan to use.

In connection with our fleet review during 2014, we evaluated for impairment idle units that had been culled from our fleet in prior years and were available for sale. Based upon that review, we reduced the expected proceeds from disposition for certain of the remaining units. This resulted in an additional impairment of $1.1 million to reduce the book value of each unit to its estimated fair value.

In July 2013, as part of our continued emphasis on simplification and focus on our core business, we sold the entity that owned our product sales facility in the United Kingdom. As a result, we recorded impairment charges of $11.9 million during the year ended December 31, 2013.

During the year ended December 31, 2012, as part of our continued emphasis on simplification and focus on our core businesses, we committed to a plan to dispose of certain offshore assets located in Trinidad. As a result, we performed an impairment review and recorded a $3.2 million asset impairment to reduce the book value of these assets to their estimated fair value. The fair value was estimated based on the expected net sale proceeds.

In 2012, we committed to a plan to sell the entity that owned our product sales facility in the United Kingdom. As a result, we recorded impairment charges of $1.5 million during the year ended December 31, 2012.

During the year ended December 31, 2012, we evaluated other long-lived assets for impairment and recorded long-lived asset impairments of $0.5 million on these assets.

12. Restructuring Charges

In November 2011, we announced a workforce cost reduction program across all of our business segments as a first step in a broader overall profit improvement initiative. These actions were the result of a review of our cost structure aimed at identifying ways to reduce our ongoing operating costs and adjust the size of our workforce to be consistent with then current and expected activity levels. A significant portion of the workforce cost reduction program was completed in 2011, with the remainder completed in 2012.

During the year ended December 31, 2012, we incurred $3.9 million of restructuring charges primarily related to termination benefits and consulting services. These charges are reflected as restructuring charges in our combined statements of operations.

13. Income Taxes

The components of income before income taxes were as follows (in thousands):

	Years Ended December 31,		
	2014	2013	2012
United States	$ 84,549	$ 134,946	$ 48,701
Foreign	72,599	49,125	30,032
Income before income taxes	$ 157,148	$ 184,071	$ 78,733

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

13. Income Taxes (Continued)

The provision for income taxes consisted of the following (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Current tax provision:			
U.S. federal	$ 6,128	$ 20,511	$ 4,051
State	2,136	4,169	1,227
Foreign	56,029	55,790	35,238
Total current	64,293	80,470	40,516
Deferred tax provision (benefit):			
U.S. federal	12,503	10,045	2,772
State	(753)	(865)	(82)
Foreign	1,790	7,717	(16,980)
Total deferred	13,540	16,897	(14,290)
Provision for income taxes	$ 77,833	$ 97,367	$ 26,226

The provision for income taxes for 2014, 2013 and 2012 resulted in effective tax rates on continuing operations of 49.5%, 52.9% and 33.3%, respectively. The reasons for the differences between these effective tax rates and the U.S. statutory rate of 35% are as follows (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Income taxes at U.S. federal statutory rate of 35%	$ 55,002	$ 64,425	$ 27,557
Net state income taxes	976	2,145	745
Foreign taxes	31,289	28,470	14,638
Foreign tax credits	(10,942)	(16,355)	(9,925)
Unrecognized tax benefits	403	2,473	(1,885)
Valuation allowances	7,884	22,795	14,649
Proceeds from sale of joint venture assets	(5,162)	(6,650)	(18,019)
Other	(1,617)	64	(1,534)
Provision for income taxes	$ 77,833	$ 97,367	$ 26,226

Deferred income tax balances are the direct effect of temporary differences between the financial statement carrying amounts and the tax basis of assets and liabilities at the enacted tax rates expected

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

13. Income Taxes (Continued)

to be in effect when the taxes are actually paid or recovered. The tax effects of temporary differences that give rise to deferred tax assets and deferred tax liabilities are as follows (in thousands):

	December 31,	
	2014	2013
Deferred tax assets:		
Net operating loss carryforwards	$ 104,733	$ 102,632
Inventory	2,105	4,240
Accrued liabilities	8,330	4,150
Foreign tax credit carryforwards	62,940	79,228
Deferred revenue	19,370	18,510
Stock-based compensation expense	14,290	10,070
Other	16,387	15,775
Subtotal	228,155	234,605
Valuation allowances	(105,139)	(101,785)
Total deferred tax assets	123,016	132,820
Deferred tax liabilities:		
Property, plant and equipment	(55,042)	(66,480)
Total deferred tax liabilities	(55,042)	(66,480)
Net deferred tax assets	$ 67,974	$ 66,340

Tax balances are presented in the accompanying combined balance sheets as follows (in thousands):

	December 31,	
	2014	2013
Current deferred income tax assets	$ 48,890	$ 38,112
Intangibles and other assets	57,899	79,143
Accrued liabilities	(635)	(1,377)
Deferred income tax liabilities	(38,180)	(49,538)
Net deferred tax assets	$ 67,974	$ 66,340

At December 31, 2014, we had approximately $360.0 million of net operating loss carryforwards in certain foreign jurisdictions (excluding discontinued operations), approximately $205.4 million of which has no expiration date, $44.1 million of which is subject to expiration from 2015 to 2019, and the remainder of which expires in future years through 2034. Foreign tax credit carryforwards of $62.9 million are available to offset future payments of U.S. federal income tax. The foreign tax credits will expire in varying amounts beginning in 2017.

Pursuant to Section 383 of the Internal Revenue Code of 1986, as amended, utilization of credit carryforwards, such as foreign tax credits, will be subject to annual limitations due to the ownership changes of both Hanover Compressor Company ("Hanover") and Universal Compression Holdings, Inc. ("Universal"). In general, an ownership change, as defined by Section 382, results from

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

13. Income Taxes (Continued)

transactions increasing the ownership of certain stockholders or public groups in the stock of a corporation by more than 50 percentage points over a three-year period. The merger of Hanover and Universal to form Exterran Holdings resulted in such an ownership change for both Hanover and Universal. Our ability to utilize credit carryforwards against future U.S. federal income tax may be limited. The limitations may cause us to pay U.S. federal income taxes earlier; however, we do not currently expect that any credit carryforwards will expire as a result of these limitations.

On September 13, 2013, the U.S. Treasury Department and the IRS issued final regulations that address costs incurred in acquiring, producing, or improving tangible property (the "tangible property regulations"). The tangible property regulations are generally effective for tax years beginning on or after January 1, 2014. The tangible property regulations require us to make tax accounting method changes or file election statements with our U.S. federal tax return for our tax year beginning on January 1, 2014; however, these new requirements did not have a material impact on our combined financial statements.

We record valuation allowances when it is more likely than not that some portion or all of our deferred tax assets will not be realized. The ultimate realization of the deferred tax assets depends on the ability to generate sufficient taxable income of the appropriate character and in the appropriate taxing jurisdictions in the future. If we do not meet our expectations with respect to taxable income, we may not realize the full benefit from our deferred tax assets which would require us to record a valuation allowance in our tax provision in future years.

In the fourth quarter of 2013, a $9.0 million valuation allowance was recorded against the deferred tax asset for Italy net operating loss carryforwards. Although the net operating losses have an unlimited carryforward period, cumulative losses in recent years and losses expected in the near term result in it no longer being more likely than not that we will realize the deferred tax asset in the foreseeable future. Due to annual limitations on the utilization of Italy net operating loss carryforwards, we would need to generate more than $40.0 million of taxable income in Italy to fully realize the deferred tax asset.

We have not provided U.S. federal income taxes on indefinitely (or permanently) reinvested cumulative earnings of approximately $705.4 million generated by our non-U.S. subsidiaries. Such earnings are from ongoing operations which will be used to fund international growth. We have not recorded a deferred tax liability related to these unremitted foreign earnings as it is not practicable to estimate the amount of unrecognized deferred tax liabilities. In the event of a distribution of those earnings to the U.S. in the form of dividends, we may be subject to both foreign withholding taxes and U.S. federal income taxes net of allowable foreign tax credits.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

13. Income Taxes (Continued)

A reconciliation of the beginning and ending amount of unrecognized tax benefits (including discontinued operations) is shown below (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Beginning balance	$ 9,033	$ 7,736	$ 14,604
Additions based on tax positions related to prior years	—	1,710	148
Reductions based on settlement with government authority	—	—	(5,753)
Reductions based on lapse of statute of limitations	(215)	(97)	(1,263)
Reductions based on tax positions related to prior years	(462)	(316)	—
Ending balance	$ 8,356	$ 9,033	$ 7,736

We had $8.4 million, $9.0 million and $7.7 million of unrecognized tax benefits at December 31, 2014, 2013 and 2012, respectively, which if recognized, would affect the effective tax rate (except for amounts that would be reflected in income (loss) from discontinued operations, net of tax). We also have recorded $3.2 million, $3.3 million and $2.4 million of potential interest expense and penalties related to unrecognized tax benefits associated with uncertain tax positions (including discontinued operations) as of December 31, 2014, 2013 and 2012, respectively. To the extent interest and penalties are not assessed with respect to uncertain tax positions, amounts accrued will be reduced and reflected as reductions in income tax expense.

Our subsidiaries file separate income tax returns in numerous foreign jurisdictions. In the U.S., our operations have been historically included in Exterran Holdings' consolidated and separate income tax returns in the U.S. federal jurisdiction and in numerous state jurisdictions. We are subject to U.S. federal income tax examinations for tax years beginning from 1997 onward and, early in the second quarter of 2011, the Internal Revenue Service ("IRS") commenced an examination of Exterran Holdings' U.S. federal income tax returns for the tax years 2006, 2008 and 2009. In October 2012, the IRS completed its examination and issued Revenue Agent's Reports ("RARs") that reflected an aggregate over-assessment of $0.9 million. All of the adjustments proposed in the RARs were agreed, except for the disallowance of Exterran Holdings' telephone excise tax refund ("TETR") claims of $0.5 million related to the 2006 tax year, for which Exterran Holdings filed protests with the Appeals Division of the IRS. Exterran Holdings settled with the IRS Appeals Division in December 2013 for more than 90% of the TETR claims and received refunds in the first quarter of 2014. The $0.9 million over-assessment was approved for refund by the Joint Committee on Taxation and was received in the third quarter of 2014. We do not expect any tax adjustments from later tax years that would have a material impact on our financial position or results of operations.

State income tax returns are generally subject to examination for a period of three to five years after filing the returns. However, the state impact of any U.S. federal audit adjustments and amendments remains subject to examination by various states for up to one year after formal notification to the states. As of December 31, 2014, we did not have any state audits underway that would have a material impact on our financial position or results of operations.

We are subject to examination by taxing authorities throughout the world, including major foreign jurisdictions such as Argentina, Brazil, Italy and Mexico. With few exceptions, we and our subsidiaries

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

13. Income Taxes (Continued)

are no longer subject to foreign income tax examinations for tax years before 2005. Several foreign audits are currently in progress and we do not expect any tax adjustments that would have a material impact on our financial position or results of operations.

We believe it is reasonably possible that a decrease of up to $0.1 million in unrecognized tax benefits may be necessary on or before December 31, 2015 due to the settlement of audits and the expiration of statutes of limitations. However, due to the uncertain and complex application of tax regulations, it is possible that the ultimate resolution of these matters may result in liabilities which could materially differ from these estimates.

14. Related Party Transactions and Parent Equity

Transactions with Affiliates

All intercompany transactions and accounts within SpinCo have been eliminated. All affiliate transactions between SpinCo and Exterran Holdings have been included in these combined financial statements. Sales of newly-fabricated compression equipment from the product sales business of Exterran Holdings, owned by Exterran Energy Solutions, L.P. ("EESLP"), to Exterran Partners, L.P. ("Exterran Partners") are used in the U.S. services business of Exterran Holdings and are made pursuant to an omnibus agreement between the parties and other affiliates of both entities. Per the omnibus agreement, revenue is determined by the cost to fabricate such equipment plus a fixed margin. During the years ended December 31, 2014, 2013 and 2012, we recorded revenue of $233.0 million, $118.4 million and $109.9 million, respectively, and cost of sales of $212.2 million, $106.6 million and $98.9 million, respectively, from the sale of newly-fabricated compression equipment to Exterran Partners.

Prior to the spin-off closing, EESLP also has a fleet of compression units that it uses to provide compression services in the U.S. services business of Exterran Holdings. Revenue has not been recognized in the combined statements of operations for the sale of compressor units by us that are used by EESLP to provide compression services to customers of the U.S. services business of Exterran Holdings. The cost of these units are treated as a reduction of parent equity in the combined balance sheets and a distribution to parent in the combined statements of cash flows and totaled $59.1 million, $55.2 million and $9.3 million during the years ended December 31, 2014, 2013 and 2012, respectively.

Allocation of Expenses

The combined statement of operations also includes expense allocations for certain functions performed by Exterran Holdings which have not been historically allocated to its operating segments, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology. Included in our selling, general and administrative expense during the years ended December 31, 2014, 2013 and 2012 were $68.3 million, $62.6 million and $63.3 million, respectively, of corporate expenses incurred by Exterran Holdings. These costs were allocated to us systematically based on specific department function and revenue. Management believes the assumptions underlying the combined financial statements, including the assumptions regarding allocating expenses from Exterran Holdings, are reasonable. Nevertheless, the combined financial statements may not include all of the actual expenses that would have been incurred had we been a standalone public company during the periods presented and may not reflect our combined results of

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

14. Related Party Transactions and Parent Equity (Continued)

operations, financial position and cash flows had we been a stand-alone public company during the periods presented. Actual costs that would have been incurred if we had been a stand-alone public company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure.

Cash Management

EESLP provides centralized treasury functions for Exterran Holdings' U.S. operations, whereby EESLP regularly transfers cash both to and from U.S. subsidiaries of Exterran Holdings, as necessary. In conjunction therewith, the intercompany transactions between our U.S. subsidiaries and the other U.S. subsidiaries of Exterran Holdings have been considered to be effectively settled in cash in these combined financial statements. Intercompany receivables/payables from/to related parties arising from transactions with affiliates and expenses allocated from Exterran Holdings described above have been included in net distributions to parent in the combined financial statements.

Net Distributions to Parent

Parent equity, which includes retained earnings, represents Exterran Holdings' interest in our recorded net assets. All transactions between us and Exterran Holdings have been identified in the accompanying combined statements of changes in equity as net distributions to parent. A reconciliation of net distributions to parent in the combined statements of changes in equity to the corresponding amount presented on the combined statements of cash flows for all periods presented is as follows (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Net distributions to parent per combined statements of changes in equity	$ (59,947)	$ (190,874)	$ (166,546)
Capital contribution by parent—stock-based compensation expense	(5,288)	(5,330)	(6,057)
Capital contribution by parent—stock-based compensation excess tax benefit	3,434	941	454
Net transfers of property, plant and equipment to (from) parent	(17,472)	12,578	(24,785)
Net distributions to parent per combined statements of cash flows	$ (79,273)	$ (182,685)	$ (196,934)

15. Stock-Based Compensation and Awards

Exterran Holdings maintains stock-based compensation plans described below. The below disclosures only relate to stock-based compensation provided to employees that are directly involved in our operations. The below disclosure excludes stock-based compensation awards made to employees that are indirectly involved in our operations but whose costs have been allocated to us.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

15. Stock-Based Compensation and Awards (Continued)

The following table presents the stock-based compensation expense included in our results of operations for employees directly involved in our operations (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Stock options	$ 496	$ 506	$ 876
Restricted stock, restricted stock units, performance units, cash settled restricted stock units, cash settled performance units and phantom units	7,922	7,609	6,756
Total stock-based compensation expense	$ 8,418	$ 8,115	$ 7,632

Stock Incentive Plan

In April 2013, Exterran Holdings adopted the Exterran Holdings, Inc. 2013 Stock Incentive Plan (the "2013 Plan") to provide for the granting of stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, other stock-based awards and dividend equivalent rights to employees, directors and consultants of Exterran Holdings. Upon effectiveness of the 2013 Plan, no additional grants may be made under the Exterran Holdings, Inc. 2007 Amended and Restated Stock Incentive Plan (the "2007 Plan") and the Exterran Holdings, Inc. 2011 Employment Inducement Long-Term Equity Plan (the "Employment Inducement Plan"). Previous grants made under the 2007 Plan and the Employment Inducement Plan will continue to be governed by their respective plans.

Stock Options

Stock options are granted at fair market value at the grant date, are exercisable according to the vesting schedule established by the compensation committee of Exterran Holdings' board of directors in its sole discretion and expire no later than seven years after the grant date. Stock options generally vest one-third per year on each of the first three anniversaries of the grant date.

The weighted average grant date fair value for stock options granted to employees directly involved in our operations during the years ended December 31, 2014, 2013 and 2012 was $14.47, $10.19 and $5.74, respectively, and was estimated using the Black-Scholes option valuation model with the following weighted average assumptions:

	Years Ended December 31,		
	2014	2013	2012
Expected life in years	4.5	4.5	4.5
Risk-free interest rate	1.33%	0.66%	0.78%
Volatility	46.51%	49.19%	47.96%
Dividend yield	1.5%	0.0%	0.0%

The risk-free interest rate is based on the U.S. Treasury yield curve in effect on the grant date for a period commensurate with the estimated expected life of the stock options. Expected volatility is based on the historical volatility of Exterran Holdings stock over the period commensurate with the expected life of the stock options and other factors. The dividend yield is based on the Exterran

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

15. Stock-Based Compensation and Awards (Continued)

Holdings' annualized dividend rate in effect during the quarter in which the grant was made. At the time of the stock option grants during each of the years ended December 31, 2013 and 2012, Exterran Holdings had not historically paid any dividends and did not expect to pay any dividends during the expected life of the stock options.

The following table presents stock option activity with employees directly involved in our operations during the year ended December 31, 2014:

	Stock Options (in thousands)	Weighted Average Exercise Price Per Share	Weighted Average Remaining Life (in years)	Aggregate Intrinsic Value (in thousands)
Options outstanding, January 1, 2014	384	$ 28.38		
Granted	31	41.18		
Exercised	(76)	20.45		
Cancelled	(11)	72.22		
Options outstanding, December 31, 2014	328	29.96	3.3	$ 2,907
Options exercisable, December 31, 2014	177	20.28	3.2	2,179

Intrinsic value is the difference between the market value of Exterran Holdings stock and the exercise price of each stock option multiplied by the number of stock options outstanding for those stock options where the market value exceeds their exercise price. The total intrinsic value of stock options exercised by employees directly involved in our operations during 2014 was $1.5 million. As of December 31, 2014, we expect $0.5 million of unrecognized compensation cost related to unvested stock options issued to employees directly involved in our operations to be recognized over the weighted-average period of 1.7 years.

Restricted Stock, Restricted Stock Units, Performance Units, Cash Settled Restricted Stock Units and Cash Settled Performance Units

For grants of restricted stock, restricted stock units and performance units, we recognize compensation expense over the vesting period equal to the fair value of our common stock at the grant date. We remeasure the fair value of cash settled restricted stock units and cash settled performance units and record a cumulative adjustment of the expense previously recognized. Our obligation related to the cash settled restricted stock units and cash settled performance units is reflected as a liability in our combined balance sheets. Grants of restricted stock, restricted stock units, performance units, cash settled restricted stock units and cash settled performance units generally vest one-third per year on each of the first three anniversaries of the grant date.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

15. Stock-Based Compensation and Awards (Continued)

The following table presents restricted stock, restricted stock unit, performance unit, cash settled restricted stock unit and cash settled performance unit activity with employees directly involved in our operations during the year ended December 31, 2014:

	Shares (in thousands)	Weighted Average Grant-Date Fair Value Per Share
Non-vested awards, January 1, 2014	603	$ 18.97
Granted	149	41.18
Vested	(310)	18.32
Cancelled	(53)	24.46
Non-vested awards, December 31, 2014(1)	389	27.25

(1) Non-vested awards as of December 31, 2014 are comprised of 78,000 cash settled restricted stock units and cash settled performance units and 311,000 restricted shares, restricted stock units and performance units.

As of December 31, 2014, we expect $6.4 million of unrecognized compensation cost related to unvested restricted stock, restricted stock units, performance units, cash settled restricted stock units and cash settled performance units issued to employees directly involved in our operations to be recognized over the weighted-average period of 1.7 years.

16. Commitments and Contingencies

Rent expense for 2014, 2013 and 2012 was approximately $15.5 million, $14.9 million and $12.7 million, respectively. Commitments for future minimum rental payments with terms in excess of one year at December 31, 2014 are as follows (in thousands):

	December 31, 2014
2015	$ 8,402
2016	5,907
2017	5,086
2018	3,027
2019	1,750
Thereafter	15,305
Total	$ 39,477

Guarantees

Borrowings under Exterran Holdings' $900.0 million senior secured revolving credit facility due in July 2016 (the "Exterran Holdings Credit Facility") are guaranteed by certain of our and Exterran Holdings' domestic subsidiaries. Our guarantees of borrowings under the Exterran Holdings Credit

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

16. Commitments and Contingencies (Continued)

Facility are secured by substantially all of the personal property assets and certain real property assets of our Significant Domestic Subsidiaries (as defined in the credit agreement) and 65% of the equity interests in certain of our first-tier foreign subsidiaries. As of December 31, 2014, Exterran Holdings had $375.5 million in outstanding borrowings under the Exterran Holdings Credit Facility.

All of our existing subsidiaries that guarantee indebtedness under the Exterran Holdings Credit Facility also guarantee the Exterran Holdings' $350.0 million aggregate principal amount of 7.25% senior notes due December 2018 (the "Exterran Holdings 7.25% Notes"). Our guarantees of the Exterran Holdings 7.25% Notes are on a senior unsecured basis, rank equally in right of payment with all of Exterran Holdings' other senior obligations and are effectively subordinated to all of Exterran Holdings' existing and future secured debt to the extent of the value of the collateral securing such indebtedness. As of December 31, 2014, Exterran Holdings had $350.0 million in outstanding borrowings under the Exterran Holdings 7.25% Notes. We are liable in the event Exterran Holdings defaults in its payment obligations or fails to comply with the covenants under the debt agreements or upon the occurrence of specified events contained in the credit agreement, including the event of bankruptcy or insolvency of Exterran Holdings. As of December 31, 2014 and 2013, no liabilities relating to such guarantees have been reflected in our combined balance sheets. We expect to be released from our obligations under such guarantees prior to or at the completion of the spin-off.

In addition to our guarantees of indebtedness held by Exterran Holdings, we have issued the following guarantees that are not recorded on our accompanying combined balance sheets (dollars in thousands):

	Term	Maximum Potential Undiscounted Payments as of December 31, 2014
Performance guarantees through letters of credit(1)	2015 - 2019	$ 142,785
Standby letters of credit	2015	10,156
Commercial letters of credit	2015	9,192
Bid bonds and performance bonds(1)	2015 - 2023	85,439
Maximum potential undiscounted payments(2)		$ 247,572

(1) We have issued guarantees to third parties to ensure performance of our obligations, some of which may be fulfilled by third parties.

(2) $91.2 million of the maximum potential undiscounted payments relate to letters of credit outstanding that were issued by us under the Exterran Holdings Credit Facility.

As part of an acquisition in 2001, we may be required to make contingent payments of up to $46 million to the seller, depending on our realization of certain U.S. federal tax benefits through the year 2015. To date, we have not realized any such benefits that would require a payment and we do not anticipate realizing any such benefits that would require a payment before the year 2016.

See Note 3 and Note 8 for a discussion of our gain contingencies related to assets that were expropriated in Venezuela.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

16. Commitments and Contingencies (Continued)

In addition to U.S. federal, state, local and foreign income taxes, we are subject to a number of taxes that are not income-based. As many of these taxes are subject to audit by the taxing authorities, it is possible that an audit could result in additional taxes due. We accrue for such additional taxes when we determine that it is probable that we have incurred a liability and we can reasonably estimate the amount of the liability. As of December 31, 2014 and December 31, 2013, we had accrued $1.4 million and $0.1 million, respectively, for the outcomes of non-income based tax audits. We do not expect that the ultimate resolutions of these audits will result in a material variance from the amounts accrued. We do not accrue for unasserted claims for tax audits unless we believe the assertion of a claim is probable, it is probable that it will be determined that the claim is owed and we can reasonably estimate the claim or range of the claim. We do not have any unasserted claims from non-income based tax audits that we have determined are probable of assertion. We also believe the likelihood is remote that the impact of potential unasserted claims from non-income based tax audits could be material to our combined financial position, but it is possible that the resolution of future audits could be material to our results of operations or cash flows for the period in which the resolution occurs.

Our business can be hazardous, involving unforeseen circumstances such as uncontrollable flows of natural gas or well fluids and fires or explosions. As is customary in our industry, we review our safety equipment and procedures and carry insurance against some, but not all, risks of our business. Our insurance coverage includes property damage, general liability and commercial automobile liability and other coverage we believe is appropriate. In addition, we have a minimal amount of insurance on our offshore assets. We believe that our insurance coverage is customary for the industry and adequate for our business; however, losses and liabilities not covered by insurance would increase our costs.

Additionally, we are substantially self-insured for workers' compensation and employee group health claims in view of the relatively high per-incident deductibles we absorb under our insurance arrangements for these risks. Losses up to the deductible amounts are estimated and accrued based upon known facts, historical trends and industry averages.

Litigation and Claims

In the ordinary course of business, we are also involved in various pending or threatened legal actions. While management is unable to predict the ultimate outcome of these actions, it believes that any ultimate liability arising from any of these actions will not have a material adverse effect on our combined financial position, results of operations or cash flows. However, because of the inherent uncertainty of litigation and arbitration proceedings, we cannot provide assurance that the resolution of any particular claim or proceeding to which we are a party will not have a material adverse effect on our combined financial position, results of operations or cash flows.

17. Recent Accounting Developments

In May 2014, the Financial Accounting Standards Board ("FASB") issued an update to the authoritative guidance related to revenue recognition. The update outlines a single comprehensive model for companies to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

17. Recent Accounting Developments (Continued)

to be entitled in exchange for those goods or services. The update also requires disclosures enabling users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The update will be effective for reporting periods beginning after December 15, 2016. Early adoption is not permitted. We are currently evaluating the potential impact of the update on our combined financial statements.

In April 2014, the FASB issued an update to the authoritative guidance related to reporting requirements for discontinued operations. The update requires a disposal of a component or a group of components of an entity to meet a higher threshold in order to be reported as a discontinued operation in an entity's financial statements. Discontinued operations reporting will be limited to disposal transactions that represent a strategic shift that has or will have a major effect on an entity's operations and financial results when the component meets the criteria to be classified as held-for-sale or is disposed. The amended guidance also expands the disclosures for discontinued operations and requires new disclosures related to individually material disposals that do not meet the definition of a discontinued operation. The amendments in the update are effective prospectively for reporting periods beginning on or after December 15, 2014. We elected early application as permitted by the guidance. The adoption of this update did not have a material impact on our combined financial statements.

In July 2013, the FASB issued an update to the authoritative guidance related to presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. The update clarifies that an unrecognized tax benefit, or a portion of an unrecognized tax benefit, should be presented in the financial statements as a reduction to a deferred tax asset for a net operating loss carryforward, a similar tax loss, or a tax credit carryforward if such settlement is required or expected in the event the uncertain tax position is disallowed. In situations where a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction or the jurisdiction's tax law does not require, and the entity does not intend to use, the deferred tax asset for such purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and should not be combined with deferred tax assets. The amendments in the update are effective for reporting periods beginning after December 15, 2013. The adoption of this update did not have a material impact on our combined financial statements.

18. Reportable Segments and Geographic Information

We manage our business segments primarily based upon the type of product or service provided. We have three reportable segments: contract operations, aftermarket services and product sales. The contract operations segment primarily provides natural gas compression services, production and processing equipment services and maintenance services to meet specific customer requirements on assets owned by us. The aftermarket services segment provides a full range of services to support the surface production, compression and processing needs of customers, from parts sales and normal maintenance services to full operation of a customer's owned assets. The product sales segment provides (i) design, engineering, fabrication, installation and sale of natural gas compression units and accessories and equipment used in the production, treating and processing of crude oil and natural gas and (ii) engineering, procurement and fabrication services related to the manufacturing of critical process equipment for refinery and petrochemical facilities, the fabrication of tank farms and evaporators and brine heaters for desalination plants.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

18. Reportable Segments and Geographic Information (Continued)

We evaluate the performance of our segments based on gross margin for each segment. Revenue includes sales to external customers and affiliates. We do not include intersegment sales when we evaluate our segments' performance.

During the year ended December 31, 2014, Exterran Holdings accounted for approximately 11% of our total revenue. See Note 14 for further discussion on transactions with affiliates. No other customer accounted for more than 10% of our combined revenues in 2014. During each of the years ended December 31, 2013 and 2012, no individual customer accounted for more than 10% of our combined revenues.

The following table presents sales and other financial information by reportable segment during the years ended December 31, 2014, 2013 and 2012 (in thousands):

	Contract Operations	Aftermarket Services	Product Sales	Reportable Segments Total	Other(1)	Total(2)
2014:						
Revenue	$ 493,853	$ 162,724	$ 1,516,177	$ 2,172,754	$ —	$ 2,172,754
Gross margin(3)	308,445	42,543	245,881	596,869	—	596,869
Total assets	811,831	37,200	466,182	1,315,213	717,142	2,032,355
Capital expenditures	130,248	1,095	22,668	154,011	3,843	157,854
2013:						
Revenue	$ 476,016	$ 160,672	$ 1,778,785	$ 2,415,473	$ —	$ 2,415,473
Gross margin(3)	279,072	40,328	264,116	583,516	—	583,516
Total assets	820,686	33,974	490,625	1,345,285	653,835	1,999,120
Capital expenditures	66,116	1,147	27,032	94,295	5,900	100,195
2012:						
Revenue	$ 463,957	$ 145,048	$ 1,459,719	$ 2,068,724	$ —	$ 2,068,724
Gross margin(3)	279,349	37,190	168,067	484,606	—	484,606
Total assets	917,603	38,143	477,886	1,433,632	678,124	2,111,756
Capital expenditures	138,694	1,155	23,518	163,367	1,423	164,790

(1) Includes corporate related items.

(2) Totals exclude assets, capital expenditures and the operating results of discontinued operations.

(3) Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable measure calculated and presented in accordance with U.S. GAAP, below.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

18. Reportable Segments and Geographic Information (Continued)

The following table presents assets from reportable segments to total assets as of December 31, 2014 and 2013 (in thousands):

	December 31,	
	2014	2013
Assets from reportable segments	$ 1,315,213	$ 1,345,285
Other assets(1)	717,142	653,835
Assets associated with discontinued operations	468	91
Combined assets	$ 2,032,823	$ 1,999,211

(1) Includes corporate related items.

The following tables present geographic data as of and during the years ended December 31, 2014, 2013 and 2012 (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Revenue:			
U.S.	$ 1,051,824	$ 1,166,494	$ 1,085,191
International	1,120,930	1,248,979	983,533
Combined	$ 2,172,754	$ 2,415,473	$ 2,068,724

	Years Ended December 31,		
	2014	2013	2012
Property, plant and equipment, net:			
U.S.	$ 87,093	$ 90,915	$ 71,577
Argentina.	246,410	249,798	249,939
Brazil.	119,795	122,620	122,408
Mexico.	240,729	216,532	247,384
Other international	260,784	285,331	340,620
Combined	$ 954,811	$ 965,196	$ 1,031,928

We define gross margin as total revenue less cost of sales (excluding depreciation and amortization expense). Gross margin is included as a supplemental disclosure because it is a primary measure used by our management to evaluate the results of revenue and cost of sales (excluding depreciation and amortization expense), which are key components of our operations. As an indicator of our operating performance, gross margin should not be considered an alternative to, or more meaningful than, net income (loss) as determined in accordance with GAAP. Our gross margin may not be comparable to a similarly titled measure of another company because other entities may not calculate gross margin in the same manner.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS (Continued)

18. Reportable Segments and Geographic Information (Continued)

The following table reconciles net income to gross margin (in thousands):

	Years Ended December 31,		
	2014	2013	2012
Net income	$ 152,513	$ 152,853	$ 119,350
Selling, general and administrative	267,493	264,890	269,812
Depreciation and amortization	173,803	140,029	167,499
Long-lived asset impairment	3,851	11,941	5,197
Restructuring charges	—	—	3,892
Interest expense	1,905	3,551	5,318
Equity in income of non-consolidated affiliates	(14,553)	(19,000)	(51,483)
Other (income) expense, net	7,222	(1,966)	5,638
Provision for income taxes	77,833	97,367	26,226
Income from discontinued operations, net of tax	(73,198)	(66,149)	(66,843)
Gross margin	$ 596,869	$ 583,516	$ 484,606

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
(In thousands)

Description	Balance at Beginning of Period	Charged to Costs and Expenses	Deductions	Balance at End of Period
Allowance for doubtful accounts deducted from accounts receivable in the combined balance sheets				
December 31, 2014	$ 7,381	$ 641	$ 5,889(1)	$ 2,133
December 31, 2013	12,073	2,317	7,009	7,381
December 31, 2012	4,786	7,642	355	12,073
Allowance for obsolete and slow moving inventory deducted from inventories in the combined balance sheets				
December 31, 2014	$ 8,231	$ 3,186	$ 2,757(2)	$ 8,660
December 31, 2013	7,629	631	29(2)	8,231
December 31, 2012	8,630	626	1,627(2)	7,629
Allowance for deferred tax assets not expected to be realized				
December 31, 2014	$ 101,785	$ 30,944	$ 27,590(3)	$ 105,139
December 31, 2013	84,113	31,978	14,306(3)	101,785
December 31, 2012	74,105	29,132	19,124(3)	84,113

(1) Uncollectible accounts written off.

(2) Obsolete inventory written off at cost, net of value received.

(3) Reflects expected realization of deferred tax assets and amounts credited to other accounts for stock-based compensation excess tax benefits, expiring net operating losses, changes in tax rates and changes in currency exchange rates.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.
CONDENSED COMBINED BALANCE SHEETS
(In thousands)
(Unaudited)

	Transfer to Exterran Holdings Pro Forma June 30, 2015	June 30, 2015	December 31, 2014
ASSETS			
Current assets:			
Cash and cash equivalents	$ 23,049	$ 23,049	$ 39,361
Restricted cash	1,490	1,490	1,490
Accounts receivable, net of allowance of $2,622 and $2,133, respectively	353,803	353,803	398,070
Inventory, net	288,124	288,124	291,240
Costs and estimated earnings in excess of billings on uncompleted contracts	128,261	128,261	120,938
Current deferred income taxes	49,417	49,417	48,890
Other current assets	58,632	58,632	53,977
Current assets associated with discontinued operations	397	397	468
Total current assets	903,173	903,173	954,434
Property, plant and equipment, net	952,385	952,385	954,811
Intangible and other assets, net	123,715	123,715	123,578
Total assets	$ 1,979,273	$ 1,979,273	$ 2,032,823
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable, trade	$ 123,095	$ 123,095	$ 161,826
Accrued liabilities	131,471	131,471	168,577
Deferred revenue	53,333	53,333	64,820
Billings on uncompleted contracts in excess of costs and estimated earnings	61,010	61,010	76,277
Payable to Exterran Holdings	538,993	—	—
Current liabilities associated with discontinued operations	769	769	1,338
Total current liabilities	908,671	369,678	472,838
Long-term debt	891	891	1,107
Deferred income taxes	38,697	38,697	38,180
Long-term deferred revenue	49,070	49,070	41,591
Other long-term liabilities	27,745	27,745	26,968
Long-term liabilities associated with discontinued operations	154	154	317
Total liabilities	1,025,228	486,235	581,001
Commitments and contingencies (Note 11)			
Equity:			
Parent equity	943,972	1,482,965	1,435,046
Accumulated other comprehensive income	10,073	10,073	16,776
Total equity	954,045	1,493,038	1,451,822
Total liabilities and equity	$ 1,979,273	$ 1,979,273	$ 2,032,823

The accompanying notes are an integral part of these condensed combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.
CONDENSED COMBINED STATEMENTS OF OPERATIONS
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2015	2014
Revenues:		
Contract operations	$ 235,941	$ 245,432
Aftermarket services	70,275	77,979
Product sales—third parties	598,763	609,176
Product sales—affiliates	109,712	91,239
	1,014,691	1,023,826
Costs and expenses:		
Cost of sales (excluding depreciation and amortization expense):		
Contract operations	89,084	87,534
Aftermarket services	49,484	57,197
Product sales	608,904	591,394
Selling, general and administrative	114,330	134,691
Depreciation and amortization	75,581	95,157
Long-lived asset impairment	10,489	—
Restructuring and other charges	10,547	—
Interest expense	826	848
Equity in income of non-consolidated affiliates	(10,068)	(9,602)
Other (income) expense, net	11,878	(4,966)
	961,055	952,253
Income before income taxes	53,636	71,573
Provision for income taxes	26,802	39,641
Income from continuing operations	26,834	31,932
Income from discontinued operations, net of tax	19,122	36,597
Net income	$ 45,956	$ 68,529

The accompanying notes are an integral part of these condensed combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.
CONDENSED COMBINED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2015	2014
Net income	$ 45,956	$ 68,529
Other comprehensive loss:		
Foreign currency translation adjustment	(6,703)	(269)
Comprehensive income	$ 39,253	$ 68,260

The accompanying notes are an integral part of these condensed combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.
CONDENSED COMBINED STATEMENTS OF CHANGES IN EQUITY
(In thousands)
(Unaudited)

	Parent Equity	Accumulated Other Comprehensive Income	Total Equity
Balance, January 1, 2014	$ 1,342,480	$ 31,424	$ 1,373,904
Net income	68,529		68,529
Net contributions from parent	24,645		24,645
Foreign currency translation adjustment			
		(269)	(269)
Balance, June 30, 2014	$ 1,435,654	$ 31,155	$ 1,466,809
Balance, January 1, 2015	$ 1,435,046	$ 16,776	$ 1,451,822
Net income	45,956		45,956
Net contributions from parent	1,963		1,963
Foreign currency translation adjustment		(6,703)	(6,703)
Balance, June 30, 2015	$ 1,482,965	$ 10,073	$ 1,493,038

The accompanying notes are an integral part of these condensed combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.
CONDENSED COMBINED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2015	2014
Cash flows from operating activities:		
Net income	$ 45,956	$ 68,529
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	75,581	95,157
Long-lived asset impairment	10,489	—
Income from discontinued operations, net of tax	(19,122)	(36,597)
Provision for doubtful accounts	1,174	889
Gain on sale of property, plant and equipment	(1,046)	(803)
Equity in income of non-consolidated affiliates	(10,068)	(9,602)
(Gain) loss on remeasurement of intercompany balances	7,999	(2,882)
Capital contribution by parent—stock-based compensation expense	3,756	5,105
Deferred income tax provision	(2,065)	4,694
Changes in assets and liabilities:		
Accounts receivable and notes	40,241	(15,717)
Inventory	2,392	(8,078)
Costs and estimated earnings versus billings on uncompleted contracts	(22,438)	(13,882)
Other current assets	(6,288)	(4,334)
Accounts payable and other liabilities	(63,843)	(12,479)
Deferred revenue	(2,931)	(30,450)
Other	(14,223)	(10,071)
Net cash provided by continuing operations	45,564	29,479
Net cash provided by discontinued operations	2,090	2,521
Net cash provided by operating activities	47,654	32,000
Cash flows from investing activities:		
Capital expenditures	(82,671)	(66,967)
Proceeds from sale of property, plant and equipment	5,086	8,193
Return of investments in non-consolidated affiliates	10,068	9,799
Proceeds received from settlement of note receivable	5,357	—
Increase in restricted cash	—	(245)
Cash invested in non-consolidated affiliates	—	(197)
Net cash used in continuing operations	(62,160)	(49,417)
Net cash provided by discontinued operations	16,560	33,108
Net cash used in investing activities	(45,600)	(16,309)
Cash flows from financing activities:		
Net contributions from (distributions to) parent	(17,583)	6,877
Net cash provided by (used in) financing activities	(17,583)	6,877
Effect of exchange rate changes on cash and cash equivalents	(783)	(4,000)
Net increase (decrease) in cash and cash equivalents	(16,312)	18,568
Cash and cash equivalents at beginning of period	39,361	35,194
Cash and cash equivalents at end of period	$ 23,049	$ 53,762

The accompanying notes are an integral part of these condensed combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS

1. Spin-off, Basis of Presentation and Significant Accounting Policies

Spin-off

On November 17, 2014, Exterran Holdings, Inc. (along with its subsidiaries "Exterran Holdings") announced that its board of directors had unanimously approved pursuing a plan to separate (the "spin-off") its international contract operations, international aftermarket services (the international contract operations and international aftermarket services businesses combined are referred to as the "international services businesses" and include such activities conducted outside of the United States of America ("U.S.")) and global fabrication businesses into an independent, publicly traded company ("Exterran Corporation," previously named Exterran SpinCo, Inc. prior to May 18, 2015). We refer to the global fabrication business currently operated by Exterran Holdings as our product sales business. In connection with the spin-off, Exterran Holdings will change its name to "Archrock, Inc.," or Archrock. This spin-off is expected to be completed in accordance with a separation and distribution agreement between Archrock and Exterran Corporation. To effect the spin-off, Exterran Holdings intends to distribute, on a pro rata basis, all of the shares of Exterran Corporation common stock to the Exterran Holdings stockholders as of the record date for the spin-off. The spin-off is subject to market conditions, the receipt of an opinion of counsel as to the tax treatment of the transaction, completion of a review by the U.S. Securities and Exchange Commission of this Form 10, the execution of separation and intercompany agreements and final approval of the Exterran Holdings board of directors. The spin-off will not be subject to a shareholder vote. Upon completion of the spin-off, Archrock and Exterran Corporation will each be independent, publicly traded companies and will have separate public ownership, boards of directors and management.

Basis of Presentation

These condensed combined financial statements were prepared in connection with the expected spin-off and are derived from the accounting records of Exterran Holdings. These statements reflect the condensed combined historical results of operations, financial position and cash flows of Exterran Holdings' international services and global product sales businesses in conformity with accounting principles generally accepted in the U.S. ("GAAP"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP are not required in these interim financial statements and have been condensed or omitted. Management believes that the information furnished includes all adjustments, consisting only of normal recurring adjustments, that are necessary to present fairly our combined financial position, results of operations and cash flows for the periods indicated. The accompanying unaudited condensed combined financial statements should be read in conjunction with the annual combined financial statements for the year ended December 31, 2014. The interim results reported herein are not necessarily indicative of results for a full year. These condensed combined financial statements are presented as if such businesses had been combined for all periods presented. All intercompany transactions and accounts within these condensed combined financial statements have been eliminated. All affiliate transactions between the international services and global product sales businesses of Exterran Holdings, Inc. and the other businesses of Exterran Holdings have been included in these condensed combined financial statements. See Note 9 for further discussion on transactions with affiliates.

The condensed combined financial statements include certain assets and liabilities that have historically been held at the Exterran Holdings level but are specifically identifiable or otherwise attributable to us. The assets and liabilities in the condensed combined financial statements have been

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

1. Spin-off, Basis of Presentation and Significant Accounting Policies (Continued)

reflected on a historical cost basis, as immediately prior to the spin-off all of the assets and liabilities of Exterran Corporation are wholly owned by Exterran Holdings. Third party debt, other than debt attributable to capital leases, of Exterran Holdings were not allocated to us for any of the periods presented as we are not the legal obligor of the debt and Exterran Holdings' borrowings were not directly attributable to our business. The condensed combined statement of operations also includes expense allocations for certain functions historically performed by Exterran Holdings and not allocated to its operating segments, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology. See Note 9 for further discussion regarding the allocation of corporate expenses.

Investments in affiliated entities in which we own more than a 20% interest and do not have a controlling interest are accounted for using the equity method.

In addition, to provide us with additional liquidity following the spin-off, we and Exterran Energy Solutions, L.P. ("EESLP") entered into a $925.0 million credit facility, which will become effective in connection with the completion of the spin-off on or prior to January 4, 2016. Please read "Description of Material Indebtedness." At or prior to the spin-off, on a pro forma basis as of June 30, 2015, we would have transferred $539.0 million to Exterran Holdings. The accompanying unaudited pro forma balance sheet as of June 30, 2015 gives effect to the $539.0 million of cash we would have transferred to Exterran Holdings.

As of June 30, 2015, Exterran Holdings and its subsidiaries (other than Exterran Partners, L.P. (along with its subsidiaries, "Exterran Partners"), had approximately $707 million of debt outstanding, including approximately $357 million of outstanding borrowings under its existing credit facility. Subsequent to June 30, 2015 and prior to the completion of the spin-off, Exterran Holdings expects to incur additional borrowings under its existing credit facility of between $40 million and $50 million to finance expenses related to the completion of the spin-off and related financing transactions, which will increase the amount we borrow under our new credit facility and transfer to Exterran Holdings to allow Exterran Holdings to repay a portion of its indebtedness.

Comprehensive Income (Loss)

Components of comprehensive income are net income and all changes in equity during a period except those resulting from transactions with owners. Our accumulated other comprehensive income consists of foreign currency translation adjustments.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

1. Spin-off, Basis of Presentation and Significant Accounting Policies (Continued)

The following table presents the changes in accumulated other comprehensive income by component, net of tax, during the six months ended June 30, 2014 and 2015 (in thousands):

	Foreign Currency Translation Adjustment
Accumulated other comprehensive income, January 1, 2014	$ 31,424
Loss recognized in other comprehensive income	(269)
Accumulated other comprehensive income, June 30, 2014	$ 31,155
Accumulated other comprehensive income, January 1, 2015	$ 16,776
Loss recognized in other comprehensive income	(6,703)
Accumulated other comprehensive income, June 30, 2015	$ 10,073

Financial Instruments

Our financial instruments consist of cash, restricted cash, receivables and payables. At June 30, 2015 and December 31, 2014, the estimated fair values of these financial instruments approximated their carrying amounts as reflected in our condensed combined balance sheets. See Note 6 for additional information regarding the fair value hierarchy.

2. Discontinued Operations

In August 2012, our Venezuelan subsidiary sold its previously nationalized assets to PDVSA Gas, S.A. ("PDVSA Gas") for a purchase price of approximately $441.7 million. We received installment payments, including an annual charge, totaling $18.7 million and $35.9 million during the six months ended June 30, 2015 and 2014, respectively. The remaining principal amount due to us of approximately $99 million as of June 30, 2015, is payable in quarterly cash installments through the third quarter of 2016. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as income from discontinued operations in the periods such payments are received. In July 2015, we received an additional installment payment, including an annual charge, of $18.9 million. The proceeds from the sale of the assets are not subject to Venezuelan national taxes due to an exemption allowed under the Venezuelan Reserve Law applicable to expropriation settlements. In addition, and in connection with the sale, we and the Venezuelan government agreed to waive rights to assert certain claims against each other.

In connection with the sale of these assets, we have agreed to suspend the arbitration proceeding previously filed by our Spanish subsidiary against Venezuela pending payment in full by PDVSA Gas of the purchase price for these nationalized assets.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

2. Discontinued Operations (Continued)

The following table summarizes the operating results of discontinued operations (in thousands):

	Six Months Ended June 30,	
	2015	2014
Revenue	$ —	$ —
Expenses and selling, general and administrative	234	245
Recovery attributable to expropriation	(16,982)	(32,984)
Other income, net	(2,374)	(3,858)
Income from discontinued operations, net of tax	$ 19,122	$ 36,597

The following table summarizes the balance sheet data for discontinued operations (in thousands):

	June 30, 2015	December 31, 2014
Cash	$ 358	$ 431
Accounts receivable	—	2
Other current assets	39	35
Total current assets associated with discontinued operations	397	468
Total assets associated with discontinued operations	$ 397	$ 468
Accounts payable	$ —	$ 214
Accrued liabilities	769	1,124
Total current liabilities associated with discontinued operations	769	1,338
Other long-term liabilities	154	317
Total liabilities associated with discontinued operations	$ 923	$ 1,655

3. Inventory, net

Inventory, net of reserves, consisted of the following amounts (in thousands):

	June 30, 2015	December 31, 2014
Parts and supplies	$ 134,709	$ 148,724
Work in progress	106,236	108,814
Finished goods	47,179	33,702
Inventory, net	$ 288,124	$ 291,240

As of June 30, 2015 and December 31, 2014, we had inventory reserves of $20.8 million and $8.7 million, respectively. As discussed further in Note 8, $8.7 million of the increase in inventory reserves during the six months ended June 30, 2015 related to restructuring and other charges.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

4. Property, Plant and Equipment, net

Property, plant and equipment, net, consisted of the following (in thousands):

	June 30, 2015	December 31, 2014
Compression equipment, facilities and other fleet assets	$ 1,550,410	$ 1,514,982
Land and buildings	154,759	154,866
Transportation and shop equipment	188,234	194,032
Other	117,154	112,732
	2,010,557	1,976,612
Accumulated depreciation	(1,058,172)	(1,021,801)
Property, plant and equipment, net	$ 952,385	$ 954,811

5. Investments in Non-Consolidated Affiliates

Investments in affiliates that are not controlled by us where we have the ability to exercise significant influence over the operations are accounted for using the equity method.

We own a 30.0% interest in WilPro Energy Services (PIGAP II) Limited and 33.3% interest in WilPro Energy Services (El Furrial) Limited which are joint ventures that provided natural gas compression and injection services in Venezuela. In May 2009, Petroleos de Venezuela S.A. ("PDVSA") assumed control over the assets of our Venezuelan joint ventures and transitioned the operations, including the hiring of their employees, to PDVSA. In March 2011, our Venezuelan joint ventures, together with the Netherlands' parent company of our joint venture partners, filed a request for the institution of an arbitration proceeding against Venezuela with the International Centre for Settlement of Investment Disputes related to the seized assets and investments.

In March 2012, our Venezuelan joint ventures sold their assets to PDVSA Gas. We received installment payments, including an annual charge, totaling $10.1 million and $9.8 million during the six months ended June 30, 2015 and 2014, respectively. The remaining principal amount due to us of approximately $17 million as of June 30, 2015, is payable in quarterly cash installments through the first quarter of 2016. We have not recognized amounts payable to us by PDVSA Gas as a receivable and will therefore recognize quarterly payments received in the future as equity in (income) loss of non-consolidated affiliates in our combined statements of operations in the periods such payments are received. In connection with the sale of our Venezuelan joint ventures' assets, the joint ventures and our joint venture partners have agreed to suspend their previously filed arbitration proceeding against Venezuela pending payment in full by PDVSA Gas of the purchase price for the assets.

6. Fair Value Measurements

The accounting standard for fair value measurements and disclosures establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into the following three broad categories.

- *Level 1*—Quoted unadjusted prices for identical instruments in active markets to which we have access at the date of measurement.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

6. Fair Value Measurements (Continued)

- *Level 2*—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or prices vary substantially over time or among brokered market makers.

- *Level 3*—Model derived valuations in which one or more significant inputs or significant value drivers are unobservable. Unobservable inputs are those inputs that reflect our own assumptions regarding how market participants would price the asset or liability based on the best available information.

The following table presents our assets and liabilities measured at fair value on a nonrecurring basis during the six months ended June 30, 2015 and 2014, with pricing levels as of the date of valuation (in thousands):

	Six Months Ended June 30, 2015			Six Months Ended June 30, 2014		
	(Level 1)	(Level 2)	(Level 3)	(Level 1)	(Level 2)	(Level 3)
Impaired long-lived assets	$ —	$ —	$ 280	$ —	$ —	$ —
Long-term receivable from the sale of our Canadian Operations	—	—	5,100	—	—	—

Our estimate of the impaired long-lived assets' fair value was primarily based on either the expected net sale proceeds compared to other fleet units we recently sold and/or a review of other units recently offered for sale by third parties, or the estimated component value of the equipment we plan to use. We discounted the expected proceeds, net of selling and other carrying costs, using a weighted average disposal period of four years and a weighted average discount rate of 9% for the six months ended June 30, 2015. In April 2015, we accepted an offer to early settle the outstanding note receivable due to us relating to the previous sale of our Canadian contract operations and aftermarket services businesses ("Canadian Operations") for $5.1 million.

7. Long-Lived Asset Impairment

We review long-lived assets, including property, plant and equipment and identifiable intangibles that are being amortized, for impairment whenever events or changes in circumstances, including the removal of compressor units from our active fleet, indicate that the carrying amount of an asset may not be recoverable.

During the six months ended June 30, 2015, we reviewed the future deployment of our idle compression assets used in our contract operations segment for units that were not of the type, configuration, condition, make or model that are cost efficient to maintain and operate. Based on this review, we determined that 29 idle compression units totaling approximately 24,000 horsepower would be retired from the active fleet. The retirement of these units from the active fleet triggered a review of these assets for impairment. As a result, we recorded a $9.1 million asset impairment to reduce the book value of each unit to its estimated fair value. The fair value of each unit was estimated based on either the expected net sale proceeds compared to other fleet units we recently sold and/or a review of

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

7. Long-Lived Asset Impairment (Continued)

other units recently offered for sale by third parties, or the estimated component value of the equipment on each compressor unit that we plan to use.

During the first quarter of 2015, we evaluated a long-term note receivable from the purchaser of our Canadian Operations for impairment. This review was triggered by an offer from the purchaser of our Canadian Operations to prepay the note receivable at a discount to its current book value. The fair value of the note receivable as of March 31, 2015 was based on the amount offered by the purchaser of our Canadian Operations to prepay the note receivable. The difference between the book value of the note receivable at March 31, 2015 and its fair value resulted in the recording of an impairment of long-lived assets of $1.4 million during the six months ended June 30, 2015. In April 2015, we accepted the offer to early settle this note receivable.

8. Restructuring and Other Charges

During the six months ended June 30, 2015, we incurred charges of $4.7 million related to non-cash inventory write-downs associated with the spin-off, of which approximately $4.2 million related to our international contract operations segment and $0.5 million related to our product sales segment. Non-cash inventory write-downs primarily related to the decentralization of shared inventory components between Exterran Holdings' North America contract operations business and our international contract operations business. The charges incurred in conjunction with the spin-off are included in restructuring and other charges in our condensed combined statements of operations. The spin-off is expected to be completed when market conditions allow. Prior to the completion of the spin-off, we expect to incur additional restructuring costs of $2.0 million relating to a one-time cash signing bonus of a named executive officer. Following the completion of the spin off, we expect to incur one-time expenditures ranging from approximately $10.0 million to $15.0 million consisting primarily of costs to start up certain stand-alone functions, retention payments to certain employees and other one-time transaction related costs.

As a result of the current market conditions in North America, combined with the impact of lower international activity due to customer budget cuts driven by lower oil prices, in the second quarter of 2015 we announced a cost reduction plan primarily focused on workforce reductions and the reorganization of certain product sales facilities. During the six months ended June 30, 2015, we incurred $5.8 million of restructuring and other charges as a result of this plan, of which $4.0 million related to non-cash write-downs of inventory and $1.8 million related to termination benefits. The non-cash inventory write-downs were the result of our decision to exit the manufacturing of cold weather packages, which had historically been performed at a product sales facility in North America we recently decided to close. These charges are reflected as restructuring and other charges in our condensed combined statements of operations. We currently estimate that we will incur additional charges with respect to this cost reduction plan of approximately $4.1 million. We expect the majority of the estimated additional charges will result in cash expenditures.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

8. Restructuring and Other Charges (Continued)

The following table summarizes the changes to our accrued liability balance related to restructuring and other charges for the six months ended June 30, 2015 (in thousands):

	Spin-off	Cost Reduction Plan	Total
Beginning balance at January 1, 2015	$ —	$ —	$ —
Additions for costs expensed	4,700	5,847	10,547
Less non-cash expense	(4,700)	(4,007)	(8,707)
Reductions for payments	—	(1,738)	(1,738)
Ending balance at June 30, 2015	$ —	$ 102	$ 102

The following table summarizes the components of charges included in restructuring and other charges in our condensed combined statements of operations for the six months ended June 30, 2015 (in thousands):

	Six Months Ended June 30, 2015
Non-cash inventory write-downs	8,707
Employee termination benefits	1,840
Total restructuring and other charges	$ 10,547

9. Related Party Transactions and Parent Equity

Transactions with Affiliates

All intercompany transactions and accounts within these condensed combined financial statements have been eliminated. All affiliate transactions between the international services and global product sales businesses of Exterran Holdings and the other businesses of Exterran Holdings have been included in these condensed combined financial statements. Sales of newly-fabricated compression equipment from the product sales business of EESLP to Exterran Partners are used in the U.S. services business of Exterran Holdings and are made pursuant to an omnibus agreement between the parties and other affiliates of both entities. Per the omnibus agreement, revenue is determined by the cost to fabricate such equipment plus a fixed margin. During the six months ended June 30, 2015 and 2014, we recorded revenue of $109.7 million and $91.2 million, respectively, and cost of sales of $100.9 million and $82.1 million, respectively, from the sale of newly-fabricated compression equipment to Exterran Partners.

Prior to the spin-off closing, EESLP also has a fleet of compression units that it uses to provide compression services in the U.S. services business of Exterran Holdings. Revenue has not been recognized in the condensed combined statements of operations for the sale of compressor units by us that are used by EESLP to provide compression services to customers of the U.S. services business of Exterran Holdings. The cost of these units are treated as a reduction of parent equity in the condensed combined balance sheets and a distribution to parent in the condensed combined statements of cash flows and totaled $25.9 million and $24.9 million during the six months ended June 30, 2015 and 2014, respectively.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

9. Related Party Transactions and Parent Equity (Continued)

Allocation of Expenses

The condensed combined statement of operations also includes expense allocations for certain functions performed by Exterran Holdings which have not been historically allocated to its operating segments, including allocations of expenses related to executive oversight, accounting, treasury, tax, legal, procurement and information technology. Included in our selling, general and administrative expense during the six months ended June 30, 2015 and 2014 were $28.1 million and $32.0 million, respectively, of corporate expenses incurred by Exterran Holdings. These costs were allocated to us systematically based on specific department function and revenue. Management believes the assumptions underlying the condensed combined financial statements, including the assumptions regarding allocating expenses from Exterran Holdings, are reasonable. Nevertheless, the condensed combined financial statements may not include all of the actual expenses that would have been incurred had we been a stand-alone public company during the periods presented and may not reflect our combined results of operations, financial position and cash flows had we been a stand-alone public company during the periods presented. Actual costs that would have been incurred if we had been a stand-alone public company would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including information technology and infrastructure.

Cash Management

EESLP provides centralized treasury functions for Exterran Holdings' U.S. operations, whereby, EESLP regularly transfers cash both to and from U.S. subsidiaries of Exterran Holdings, as necessary. In conjunction therewith, the intercompany transactions between our U.S. subsidiaries and the other U.S. subsidiaries of Exterran Holdings' have been considered to be effectively settled in cash in these condensed combined financial statements. Intercompany receivables/payables from/to related parties arising from transactions with affiliates and expenses allocated from Exterran Holdings described above have been included in net contributions from (distributions to) parent in the condensed combined financial statements.

Net Contributions from (Distributions to) Parent

Parent equity, which includes retained earnings, represents Exterran Holdings' interest in our recorded net assets. All transactions between us and Exterran Holdings have been identified in the accompanying condensed combined statements of changes in equity as net contributions from (distributions to) parent. A reconciliation of net contributions from (distributions to) parent in the

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

9. Related Party Transactions and Parent Equity (Continued)

condensed combined statements of changes in equity to the corresponding amount presented on the condensed combined statements of cash flows for all periods presented is as follows (in thousands):

	Six Months Ended June 30,	
	2015	2014
Net contributions from parent per condensed combined statements of changes in equity	$ 1,963	$ 24,645
Capital contribution by parent—stock-based compensation expense	(3,756)	(5,105)
Capital contribution by parent—stock-based compensation excess tax benefit	799	2,801
Net transfers of property, plant and equipment from parent	(16,589)	(15,464)
Net contributions from (distributions to) parent per condensed combined statements of cash flows	$ (17,583)	$ 6,877

10. Stock-Based Compensation

Exterran Holdings maintains stock-based compensation plans described below. The below disclosures only relate to stock-based compensation provided to employees that are directly involved in our operations. The below disclosure excludes stock-based compensation awards made to employees that are indirectly involved in our operations but whose cost have been allocated to us.

Stock Incentive Plan

In April 2013, Exterran Holdings adopted the Exterran Holdings, Inc. 2013 Stock Incentive Plan (the "2013 Plan") to provide for the granting of stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, other stock-based awards and dividend equivalent rights to employees, directors and consultants of Exterran Holdings. Upon effectiveness of the 2013 Plan, no additional grants may be made under the Exterran Holdings, Inc. 2007 Amended and Restated Stock Incentive Plan (the "2007 Plan") and the Exterran Holdings, Inc. 2011 Employment Inducement Long-Term Equity Plan (the "Employment Inducement Plan"). Previous grants made under the 2007 Plan and the Employment Inducement Plan are governed by their respective plans.

Stock Options

Stock options are granted at fair market value at the grant date, are exercisable according to the vesting schedule established by the compensation committee of Exterran Holdings' board of directors in its sole discretion and expire no later than seven years after the grant date. Stock options generally vest one-third per year on each of the first three anniversaries of the grant date.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

10. Stock-Based Compensation (Continued)

The following table presents stock option activity with employees directly involved in our operations during the six months ended June 30, 2015:

	Stock Options (in thousands)	Weighted Average Exercise Price Per Share	Weighted Average Remaining Life (in years)	Aggregate Intrinsic Value (in thousands)
Options outstanding, January 1, 2015	328	$ 29.96		
Granted	—	—		
Exercised	—	—		
Cancelled	(43)	67.14		
Options outstanding, June 30, 2015	285	24.35	2.8	$ 2,923
Options exercisable, June 30, 2015	248	23.26	2.5	2,799

Intrinsic value is the difference between the market value of Exterran Holdings stock and the exercise price of each stock option multiplied by the number of stock options outstanding for those stock options where the market value exceeds their exercise price. As of June 30, 2015, we expect $0.4 million of unrecognized compensation cost related to unvested stock options issued to employees directly involved in our operations to be recognized over the weighted-average period of 1.4 years.

Restricted Stock, Restricted Stock Units, Performance Units, Cash Settled Restricted Stock Units and Cash Settled Performance Units

For grants of restricted stock, restricted stock units and performance units, we recognize compensation expense over the vesting period equal to the fair value of our common stock at the grant date. We remeasure the fair value of cash settled restricted stock units and cash settled performance units and record a cumulative adjustment of the expense previously recognized. Our obligation related to the cash settled restricted stock units and cash settled performance units is reflected as a liability in our condensed combined balance sheets. Grants of restricted stock, restricted stock units, performance units, cash settled restricted stock units and cash settled performance units generally vest one-third per year on each of the first three anniversaries of the grant date.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

10. Stock-Based Compensation (Continued)

The following table presents restricted stock, restricted stock unit, performance unit, cash settled restricted stock unit and cash settled performance unit activity with employees directly involved in our operations during the six months ended June 30, 2015:

	Shares (in thousands)	Weighted Average Grant-Date Fair Value Per Share
Non-vested awards, January 1, 2015	389	$ 27.25
Granted	241	32.02
Vested	(235)	23.51
Cancelled	(14)	33.05
Non-vested awards, June 30, 2015(1)	381	32.36

(1) Non-vested awards as of June 30, 2015 are comprised of 13,000 cash settled restricted stock units and cash settled performance units and 368,000 restricted shares, restricted stock units and performance units.

As of June 30, 2015, we expect $10.2 million of unrecognized compensation cost related to unvested restricted stock, restricted stock units, performance units, cash settled restricted stock units and cash settled performance units issued to employees directly involved in our operations to be recognized over the weighted-average period of 2.2 years.

11. Commitments and Contingencies

Guarantees

Borrowings under Exterran Holdings' $900.0 million senior secured revolving credit facility due in July 2016 (the "Exterran Holdings Credit Facility") are guaranteed by certain of our and Exterran Holdings' domestic subsidiaries. Our guarantees of borrowings under the Exterran Holdings Credit Facility are secured by substantially all of the personal property assets and certain real property assets of our Significant Domestic Subsidiaries (as defined in the credit agreement) and 65% of the equity interests in certain of our first-tier foreign subsidiaries. As of June 30, 2015, Exterran Holdings had $356.5 million in outstanding borrowings under the Exterran Holdings Credit Facility.

All of our existing subsidiaries that guarantee indebtedness under the Exterran Holdings Credit Facility also guarantee Exterran Holdings' $350.0 million aggregate principal amount of 7.25% senior notes due December 2018 (the "Exterran Holdings 7.25% Notes"). Our guarantees of the Exterran Holdings 7.25% Notes are on a senior unsecured basis, rank equally in right of payment with all of Exterran Holdings' other senior obligations and are effectively subordinated to all of Exterran Holdings' existing and future secured debt to the extent of the value of the collateral securing such indebtedness. As of June 30, 2015, Exterran Holdings had $350.0 million in outstanding borrowings under the Exterran Holdings 7.25% Notes. We are liable in the event Exterran Holdings defaults in its payment obligations or fails to comply with the covenants under the credit agreement or upon the occurrence of specified events contained in the credit agreement, including the event of bankruptcy or

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

11. Commitments and Contingencies (Continued)

insolvency of Exterran Holdings. As of June 30, 2015 and December 31, 2014, no liabilities relating to such guarantees have been reflected in our condensed combined balance sheets. We expect to be released from our obligations under such guarantees prior to or at the completion of the spin-off.

In addition to our guarantees of indebtedness held by Exterran Holdings, we have issued the following guarantees that are not recorded on our accompanying combined balance sheet (dollars in thousands):

	Term	Maximum Potential Undiscounted Payments as of June 30, 2015
Performance guarantees through letters of credit(1)	2015 - 2021	$ 157,644
Standby letters of credit	2015 - 2016	9,948
Commercial letters of credit	2015	2,422
Bid bonds and performance bonds(1)	2015 - 2023	76,931
Maximum potential undiscounted payments(2)		$ 246,945

(1) We have issued guarantees to third parties to ensure performance of our obligations, some of which may be fulfilled by third parties.

(2) $91.4 million of the maximum potential undiscounted payments relate to letters of credit outstanding that were issued by us under the Exterran Holdings Credit Facility.

As part of an acquisition in 2001, we may be required to make contingent payments of up to $46 million to the seller, depending on our realization of certain U.S. federal tax benefits through the year 2015. To date, we have not realized any such benefits that would require a payment and we do not anticipate realizing any such benefits that would require a payment before the year 2016.

See Note 2 and Note 5 for a discussion of our gain contingencies related to assets that were expropriated in Venezuela.

In addition to U.S. federal, state, local and foreign income taxes, we are subject to a number of taxes that are not income-based. As many of these taxes are subject to audit by the taxing authorities, it is possible that an audit could result in additional taxes due. We accrue for such additional taxes when we determine that it is probable that we have incurred a liability and we can reasonably estimate the amount of the liability. As of June 30, 2015 and December 31, 2014, we had accrued $1.1 million and $1.4 million, respectively, for the outcomes of non-income based tax audits. We do not expect that the ultimate resolutions of these audits will result in a material variance from the amounts accrued. We do not accrue for unasserted claims for tax audits unless we believe the assertion of a claim is probable, it is probable that it will be determined that the claim is owed and we can reasonably estimate the claim or range of the claim. We do not have any unasserted claims from non-income based tax audits that we have determined are probable of assertion. We also believe the likelihood is remote that the impact of potential unasserted claims from non-income based tax audits could be material to our combined financial position, but it is possible that the resolution of future audits could be material to our results of operations or cash flows for the period in which the resolution occurs.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

11. Commitments and Contingencies (Continued)

Our business can be hazardous, involving unforeseen circumstances such as uncontrollable flows of natural gas or well fluids and fires or explosions. As is customary in our industry, we review our safety equipment and procedures and carry insurance against some, but not all, risks of our business. Our insurance coverage includes property damage, general liability and commercial automobile liability and other coverage we believe is appropriate. In addition, we have a minimal amount of insurance on our offshore assets. We believe that our insurance coverage is customary for the industry and adequate for our business; however, losses and liabilities not covered by insurance would increase our costs.

Additionally, we are substantially self-insured for workers' compensation and employee group health claims in view of the relatively high per-incident deductibles we absorb under our insurance arrangements for these risks. Losses up to the deductible amounts are estimated and accrued based upon known facts, historical trends and industry averages.

Litigation and Claims

In the ordinary course of business, we are also involved in various pending or threatened legal actions. While management is unable to predict the ultimate outcome of these actions, it believes that any ultimate liability arising from any of these actions will not have a material adverse effect on our combined financial position, results of operations or cash flows. However, because of the inherent uncertainty of litigation and arbitration proceedings, we cannot provide assurance that the resolution of any particular claim or proceeding to which we are a party will not have a material adverse effect on our combined financial position, results of operations or cash flows.

12. Recent Accounting Developments

In April 2015, the Financial Accounting Standards Board ("FASB") issued an update to the authoritative guidance on the presentation of debt issuance costs. The update requires an entity to present such costs in the balance sheet as a direct deduction from the carrying amount of the related debt liability rather than as an asset. Amortization of the costs will continue to be reported as interest expense. The update will be effective for reporting periods beginning after December 15, 2015. Early adoption is permitted. The new guidance will be applied retrospectively to each prior period presented. We will evaluate the impact of this update in subsequent periods as it becomes applicable to our combined financial statements.

In May 2014, the FASB issued an update to the authoritative guidance related to revenue recognition. The update outlines a single comprehensive model for companies to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The update also requires disclosures enabling users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. The update will be effective for reporting periods beginning after December 15, 2017. Early adoption is permitted for reporting periods beginning after December 15, 2016. We are currently evaluating the potential impact of the update on our combined financial statements.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

13. Reportable Segments

We manage our business segments primarily based upon the type of product or service provided. We have three reportable segments: contract operations, aftermarket services and product sales. The contract operations segment primarily provides natural gas compression services, production and processing equipment services and maintenance services to meet specific customer requirements on assets owned by us. The aftermarket services segment provides a full range of services to support the surface production, compression and processing needs of customers, from parts sales and normal maintenance services to full operation of a customer's owned assets. The product sales segment provides (i) design, engineering, fabrication, installation and sale of natural gas compression units and accessories and equipment used in the production, treating and processing of crude oil and natural gas and (ii) engineering, procurement and fabrication services related to the manufacturing of critical process equipment for refinery and petrochemical facilities, the fabrication of tank farms and evaporators and brine heaters for desalination plants.

We evaluate the performance of our segments based on gross margin for each segment. Revenue includes sales to external customers and affiliates. We do not include intersegment sales when we evaluate our segments' performance.

During the six months ended June 30, 2015, Exterran Holdings accounted for approximately 11% of our total revenue. See Note 9 for further discussion on transactions with affiliates. No other customer accounted for more than 10% of our combined revenues during the six months ended June 30, 2015 and 2014.

The following table presents sales and other financial information by reportable segment during the six months ended June 30, 2015 and 2014 (in thousands):

Six Months Ended	Contract Operations	Aftermarket Services	Product Sales	Reportable Segments Total
June 30, 2015:				
Revenue	$ 235,941	$ 70,275	$ 708,475	$ 1,014,691
Gross margin(1)	146,857	20,791	99,571	267,219
June 30, 2014:				
Revenue	$ 245,432	$ 77,979	$ 700,415	$ 1,023,826
Gross margin(1)	157,898	20,782	109,021	287,701

(1) Gross margin, a non-GAAP financial measure, is reconciled, in total, to net income (loss), its most directly comparable measure calculated and presented in accordance with U.S. GAAP, below.

We define gross margin as total revenue less cost of sales (excluding depreciation and amortization expense). Gross margin is included as a supplemental disclosure because it is a primary measure used by our management to evaluate the results of revenue and cost of sales (excluding depreciation and amortization expense), which are key components of our operations. As an indicator of our operating performance, gross margin should not be considered an alternative to, or more meaningful than, net income (loss) as determined in accordance with GAAP. Our gross margin may not be comparable to a similarly titled measure of another company because other entities may not calculate gross margin in the same manner.

INTERNATIONAL SERVICES AND GLOBAL PRODUCT SALES BUSINESSES OF EXTERRAN HOLDINGS, INC.

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS (Continued)

13. Reportable Segments (Continued)

The following table reconciles net income to gross margin (in thousands):

	Six Months Ended June 30,	
	2015	2014
Net income	$ 45,956	$ 68,529
Selling, general and administrative	114,330	134,691
Depreciation and amortization	75,581	95,157
Long-lived asset impairment	10,489	—
Restructuring and other charges	10,547	—
Interest expense	826	848
Equity in income of non-consolidated affiliates	(10,068)	(9,602)
Other (income) expense, net	11,878	(4,966)
Provision for income taxes	26,802	39,641
Income from discontinued operations, net of tax	(19,122)	(36,597)
Gross margin	$ 267,219	$ 287,701

14. Subsequent Events

Subsequent events have been evaluated for recognition or disclosure through October 5, 2015, the date on which the condensed combined financial statements were available to be issued. Except as disclosed below, no matters were identified.

In July 2015, we received an additional installment payment, including an annual charge, of $18.9 million from PDVSA Gas relating to the 2012 sale of our Venezuelan subsidiary's previously nationalized assets. As we have not recognized amounts payable to us by PDVSA Gas relating to the 2012 sale of our Venezuelan subsidiary's previously nationalized assets as a receivable but rather as income from discontinued operations in the periods such payments are received, the installment payment received in July 2015 will be recognized as income from discontinued operations in the third quarter of 2015.

On July 10, 2015, we and EESLP entered into a credit agreement (the "New Credit Agreement") with Wells Fargo, as the administrative agent, and various financial institutions as lenders. On October 5, 2015, the parties entered into an amended and restated credit agreement, which we refer to as the New Credit Agreement, evidencing our new $680.0 million revolving credit facility and our new $245.0 million term loan facility, which we refer to collectively as our New Credit Facility. Availability under the New Credit Facility is subject to the satisfaction of certain conditions, including the consummation of the spin-off on or prior to January 4, 2016 (the date on which those conditions are satisfied is referred to as the "Initial Availability Date"). No borrowings are outstanding under the New Credit Facility because the Initial Availability Date has not yet occurred.

In September 2015, we received an additional installment payment, including an annual charge, of $5.1 million from PDVSA Gas relating to the 2012 sale of our Venezuelan joint ventures' previously nationalized assets. As we have not recognized amounts payable to us by PDVSA Gas relating to the 2012 sale of our Venezuelan joint ventures' previously nationalized assets as a receivable but rather as equity in income of non-consolidated affiliates in the periods such payments are received, the installment payment received in September 2015 will be recognized as equity in income of non-consolidated affiliates in the third quarter of 2015.